



Washington Department of Ecology

2024 Supplemental Operating Budget

September 13, 2023

To request an ADA accommodation, contact Ecology by phone at 360-407-6985 or email at valerie.pearson@ecy.wa.gov, or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877-833-6341.

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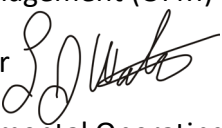


STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PO Box 47600, Olympia, WA 98504-7600 • 360-407-6000

September 13, 2023

TO: David Schumacher, Director
Office of Financial Management (OFM)

FROM: Laura Watson, Director 

SUBJECT: Ecology's 2024 Supplemental Operating Budget Request

As the state's lead environmental agency, Ecology's mission is to protect and preserve the environment for current and future generations, while valuing and supporting Washington's economic success. We're tackling challenges that are unique to our times and require us to take a broad and holistic approach to our work that focuses on not only *what* we do, but also *how* we do it.

Ecology's strategic goals are to:

- Support and engage our communities, customers, and employees.
- Reduce and prepare for climate change impacts.
- Prevent and reduce toxic threats and pollution.
- Protect and manage our state's waters.

Our agency's deep commitment to environmental justice is tied to each of our strategic goals and guides the way we work to accomplish those goals.

Attached is Ecology's \$53.5 million 2024 supplemental operating budget request. It reflects an economy that is largely recovered from the impacts of the COVID-19 pandemic and leverages new federal funding available to the state, while continuing to protect environmental and public health through a focus on equity and environmental justice. This operating budget request is needed to:

- Respond to a United States Supreme Court decision affecting the protection of state wetlands and other waters.
- Continue effectively implementing enacted climate policy legislation aimed at reducing carbon pollution - including the Climate Commitment Act and Clean Fuel Standard - to achieve state greenhouse gas emission limits and reduce air pollution in overburdened communities.

- Pass through and use federal funding available from the Bipartisan Infrastructure Law and Inflation Reduction Act to support environmental and public health work and projects across the state.
- Continue to support priorities and actions from the Governor's 2021 salmon strategy update and State/Tribal Riparian Protection & Restoration Workgroup needed to better monitor the health of our riparian buffers and protect salmon.
- Improve Puget Sound water quality by building on recommendations for how the state might establish a nutrient credit trading program, and leveraging new federal funding available to support critical research, monitoring, modeling, and projects to address stormwater pollution.
- Support our communities through expanded access to Washington Conservation Corps services to help meet the state's environmental justice goals, ensure companies have sufficient financial resources to cover the costs of oil spills to Washington waters, and accreditation of cannabis testing laboratories.
- Meet permit obligations related to Hanford cleanup and fund key information technology enhancements needed to improve collection and reporting of data on water quality permits.

These requests are supported primarily by federal grants, dedicated environmental funds, and direct charges to customers for services provided.

Thank you for considering Ecology's 2024 supplemental operating budget request. We will work with our assigned OFM operating budget analysts as they review this request in detail. Please let us know if you have questions.

Attachment

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September 13, 2023

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Washington Department of Ecology

2024 Supplemental

Operating Budget

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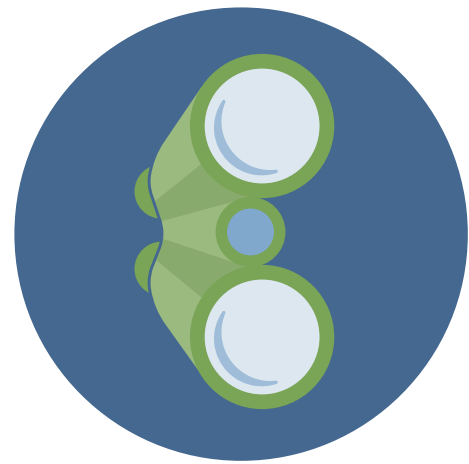


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Revised Aug-25-2023.

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2023–2025 Strategic Plan



Vision

Our innovative partnerships protect and sustain healthy land, air, water, and climate in harmony with a strong economy.



Mission

To protect, preserve, and enhance Washington's environment for current and future generations.

Goals



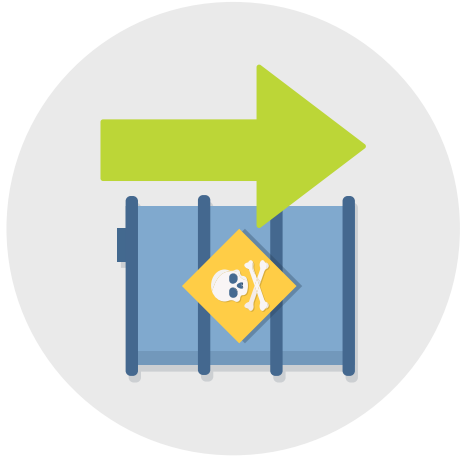
Goal 1

Support and engage our communities, customers, and employees



Goal 2

Reduce and prepare for climate impacts



Goal 3

Prevent and reduce toxic threats and pollution


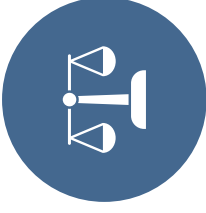







Goal 4

Protect and manage our state's waters



Values

	Environmental stewardship		Environmental justice		Public health, safety, and welfare		Diversity, equity, inclusion, and respect		Problem solving and innovation		Continuous improvement		Collaborative and respectful relations
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Principles of our work

- Work in partnership with communities, businesses, interest groups, and local, state, and federal agencies to protect the environment.
- Engage in meaningful tribal consultation.
- Communicate clearly, strengthen engagement, and eliminate public involvement barriers.
- Make transparent, defensible decisions using accurate and reliable data with quality science.
- Strive to eliminate environmental and health disparities by prioritizing communities with environmental justice considerations.
- Support our commitment to sustainability by understanding the results of our actions and acknowledging that people, economies, and all life depend on healthy, functioning ecosystems.
- Award and manage grants and loans equitably, as financial partners, to maximize environmental, public health, and economic benefits in local communities.
- Recognize and value how every employee's work and expertise contributes to our mission.
- Create and support opportunities for integrated cross-program work (One Ecology).



Goal 1

Support and engage our communities, customers, and employees

We strive to equitably deliver our services and resources, strategically embrace innovation and new technology, and work to continually improve our performance and accountability. We foster a diverse, responsive, and welcoming workforce that operates with excellence and professionalism. Our leadership is committed to creating a culture where our workforce and those affected by our work are respected and included.

Read more about our

Goal 1 objectives >



Goal 1 objectives

Support and engage our communities, customers, and employees



- **1.1** Implement environmental justice and equity policies and procedures to improve service delivery and access to services.

Initiatives

- Implement the Healthy Environment for All (HEAL) Act.
- Implement clear, standardized, and useful environmental justice protocols in enforcement and compliance activities.
- Collaboratively recalibrate environmental reporting and information on violations in overburdened communities for more accurate analyses and public data sharing.
- Conduct Environmental Justice Assessments for significant agency actions as specified in the HEAL Act in order to reduce environmental harms, environmental and health disparities, and negative impacts on overburdened communities.
- Implement environmental justice and equity criteria in budget and funding decisions to more equitably distribute expenditures, create environmental benefits, or reduce environmental harms for overburdened communities and vulnerable populations.
- Implement processes that bring Ecology into alignment with current requirements of Title VI of the Civil Rights Act and other nondiscrimination statutes.
- Implement tools to assess Title VI compliance for Ecology's sub-recipients.

Our Office of Equity and Environmental Justice

For over 25 years, Ecology has worked to integrate equity and environmental justice into our planning, activities, and programs.

The mission of our Office of Equity & Environmental Justice (EJ) is to eliminate environmental and health disparities for communities most at risk from pollution and other environmental impacts. We strive to do this through fair and just practices that support the well-being and resilience of Ecology's workforce and the people of Washington. We are focusing our environmental justice work for the 2023-25 biennium on implementing Washington's EJ law (HEAL Act) and advancing our Title VI of the Civil Rights Act work to further equitable practices and outcomes.



Goal 1 objectives

Support and engage our communities, customers, and employees



- 1.2** Increase and ensure meaningful engagement with our communities, customers, and employees; listen to their feedback, and use it to improve our work.

Initiatives

- Implement a community engagement plan, developed in collaboration with the Environmental Justice Council, to guide our work with communities across Washington.
- Establish and implement a Tribal consultation plan to ensure consistent protocols and best practices for engagement, communication, and collaboration.
- Establish standards in our compliance and enforcement processes that ensure meaningful and inclusive public engagement from diverse communities across the state.
- Increase the accessibility and transparency of Ecology's discrimination complaints process.
- Lead proactive, innovative communications, with our diverse audiences, to share our work and why it matters.
- Gather and use feedback from our customers and employees to inform our work so we can understand where we are successful, address needs, and more equitably and effectively provide our services.
- Increase the use of engaging visual and audio content to make our external communications more relevant and accessible.
- Improve audit timeliness for testing laboratories in response to feedback from regulatory partners and customers.



Goal 1 objectives

Support and engage our communities, customers, and employees



1.3 Increase investment in our workforce and position Ecology as an employer of choice.

Initiatives

- Implement the agency's pro-equity anti-racism (PEAR) strategic action plan.
- Implement recommendations from our diversity, equity, inclusion, and respect (DEIR) Agency Organizational Assessment.
- Operationalize new and revised anti-discrimination, anti-harassment, workplace accommodation, diversity, equity, inclusion, and respect policies and procedures using principles of change management to create a culture of belonging and respect for all and be an antiracist organization.
- Implement updated required qualifications to recognize that life experiences, work experience, and education are all ways to gain the knowledge, skills, and abilities to perform our work.
- Support successful recruitment and retention of a diverse and well-trained workforce that carries out their responsibilities with cultural humility, service excellence, and professionalism.
- Develop and implement a DEIR training program for our workforce.

Diversity, equity, inclusion, and respect

We are committed to becoming a more diverse, equitable, inclusive, and respectful (DEIR) workplace and are actively taking steps to make progress. Ecology has a full-time Organizational Equity Manager, who collaborates with our Human Resources DEIR leads, and employees across the agency, to create and work towards meaningful change. Our strategy will be informed by our upcoming DEIR Organizational Assessment which will help us understand the experiences of our employees, identify opportunities, and implement new approaches. This assessment involves examining our hiring processes, agency culture, and professional development and growth opportunities.



Goal 1 objectives

Support and engage our communities, customers, and employees

1.4 Increase our operational resiliency and adaptability in the face of uncertainty in a rapidly changing world.

Initiatives

- Make investments in processes and tools that support public disclosure, records retention, and electronic discovery.
- Modernize Ecology policies, practices, and technology to give employees the tools and flexibility to work effectively and efficiently.
- Identify legal requirements and establish, update, and implement access standards for documents, training, ADA language, language access, Ecology's website, IT software and applications, and social media.
- Support implementation of the One Washington financial system to remediate and integrate Ecology financial and human resources systems.
- Implement short-term and long-term actions to obligate and spend capital appropriations to ensure timely distribution to partner organizations, contractors, and governments and reduce reappropriations.
- Make investments in processes and tools that support information technology security to protect Ecology's data and assets from cybersecurity threats.
- Establish and document a customer service process to ensure Information Technology Services Office staff and customers have a clear and shared understanding of service delivery standards.
- Implement a Microsoft Office cloud-based software (M365) migration plan and support our employees with training, communication, and change management.
- Finalize internal emergency management structure, create a viable Emergency Operations Plan (EOP) and conduct Continuity of Operations Planning (COOP) exercises to ensure operational resiliency and adaptability.



Goal 2

Reduce and prepare for climate impacts

Ecology is preparing for the future by understanding and reducing the effects of climate change on our communities, environment, and economy. We will reduce greenhouse gas emissions, promote community resilience, and prevent and remediate negative impacts with an emphasis on overburdened communities and vulnerable populations. We will do this work while supporting economic growth and a strong economy.

Read more about our

Goal 2 objectives >



Goal 2 objectives

Reduce and prepare for climate impacts



Effectively addressing climate change

Climate change is already impacting our communities and ecosystems. Air and water temperatures are increasing. Changes are fueling extreme heat waves, wildfires, drought and flooding. Sea levels are rising and our water supplies and water quality are being altered.

Reducing greenhouse gases will minimize how climate change affects people who live, work, and play in Washington. Our actions must account for the impacts of climate change we are experiencing today and what is expected in the years to come.

We must also be resilient to the impacts of climate change today. We can lay the foundation for strategic, coordinated, and sustained climate resilience through partnerships. We also must ensure our tools for making decisions and scientific information adequately address the effects of climate change and improve our resilience.



- 2.1** Support science-based decision-making, including improving access to the latest climate change data and information, providing greater consistency in agency processes, and conducting education and outreach to increase understanding of impacts.

Initiatives

- Incorporate the latest and best available climate change science into our work and improve the availability and use of this data and information across our programs.
- Conduct outreach and education to share scientific information about climate change and learn from others across state government, community members, Tribes, businesses, local governments, and others about their experiences and needs.
- Monitor ocean acidification conditions to identify where changing marine chemistry may impact sensitive organisms.
- Use the [Columbia River Basin Long-term Water Supply and Demand Forecast](#) to inform our water resources and climate adaptation work and implement recommendations from the report.



Goal 2 objectives

Reduce and prepare for climate impacts



- 2.2 Decrease greenhouse gas emissions and support reductions across the state to meet 2030 and 2050 emissions limits.

Initiatives

- Implement Washington's [Cap and Invest](#), [Clean Fuel](#), [Hydrofluorocarbon Reduction](#), and [Zero Emission Vehicles](#) programs.
- Track statewide, state government operations, and Ecology greenhouse gas emissions and report our progress toward meeting the 2050 limits established in RCW 70A.45.020 and .050.
- Support diverse methods for managing organic wastes to reduce organic materials disposed of in landfills and reduce methane emissions from landfills.
- Report on greenhouse gas emissions avoided by waste recovery and recycling statewide.
- Operate the Washington Center for Sustainable Food Management and implement the [Use Food Well Washington Plan](#) to reduce wasted food, get useable food to those in need, then safely manage and recycle what remains.
- Incorporate more state-specific data to increase the accuracy and timeliness of the statewide greenhouse gas inventory.
- Establish sector-specific greenhouse gas emissions targets and reduction policies for achieving the statewide emissions limits.





Goal 2 objectives

Reduce and prepare for climate impacts

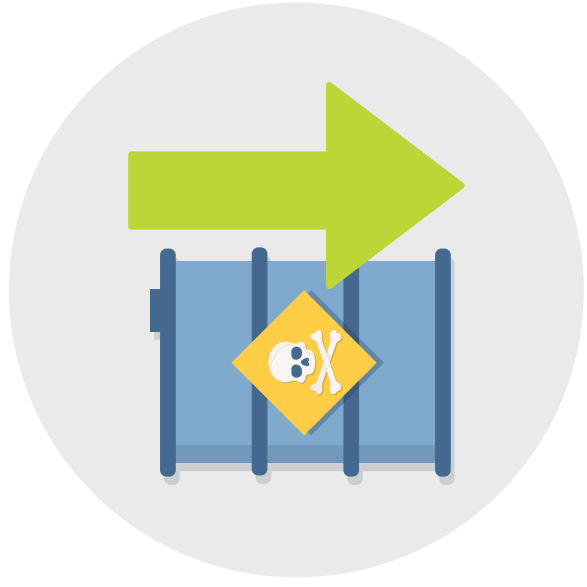


2.3 Increase adaptability and resiliency of communities and ecosystems to reduce their vulnerability to harmful impacts of climate change.

Initiatives

- Evaluate and adapt agency guidance, policies, plans, and authorities to incorporate consideration of current and expected future impacts of climate change into our work.
- Partner with state agencies, academic institutions, Tribes, communities, and others to update, coordinate, and prioritize our statewide climate resilience efforts and needs.
- Continue internal, cross-program collaboration through our Climate Resiliency Team to facilitate information sharing and improve consistency and coordination in agency approaches to climate resilience.
- Address impacts from loss of snowpack by identifying and developing water storage and supply solutions in Central and Eastern Washington watersheds.
- Support local governments in floodplain management to address community flood risk.
- Increase, coordinate, and pursue strategic investments that support climate resiliency, especially in areas with environmental justice considerations and the highest climate impact risks.
- Support communities and Tribes in identifying and implementing practical responses to sea level rise and related coastal hazards.
- Seek legislative authority for ongoing drought funding and implement planning and preparedness programs to reduce impacts.






Goal 3

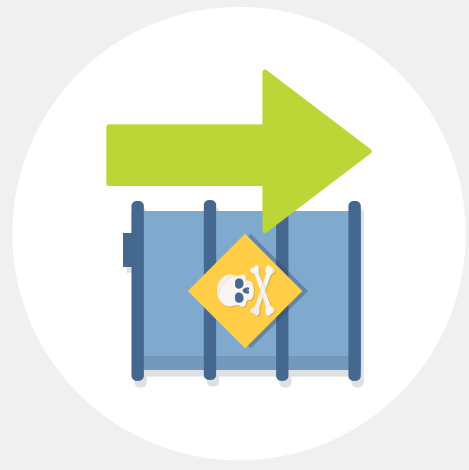
Prevent and reduce toxic threats and pollution

We work to prevent and reduce toxic threats and pollution and manage legacy contamination. We make strategic efforts to eliminate the disproportionate impacts on communities of color, indigenous communities, and low-income populations across Washington.

Read more about our

Goal 3 objectives 





Goal 3 objectives

Prevent and reduce toxic threats and pollution



3.1 Increase our understanding of toxic substance uses and waste generated in Washington.

Initiatives

- Engage stakeholders on safer alternatives and develop compliance strategies supporting consumer product laws, such as the [Safer Products for Washington](#) program.
- Expand, develop, and implement toxics studies throughout the state to protect and enhance human and ecosystem health.
- Develop a method to detect 6PPD-Quinone in the environment, develop and implement a monitoring program; identify best practices for stormwater; and limit, reduce, or eliminate use of this chemical.

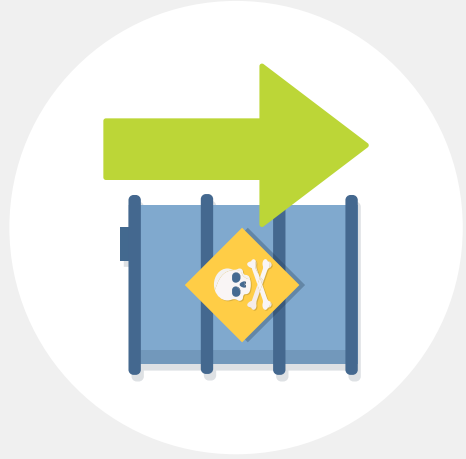


Tackling toxics and pollution

Toxic threats and pollution come from many sources, including consumer products and business processes, which end up as pollution in the air, water, and land, or accumulating in our bodies.

Inappropriate handling or disposal of toxic chemicals or waste can result in long-lasting contamination that causes negative economic, social, and environmental impacts. To protect against ongoing toxic threats and pollution, we:

- Identify and reduce use of toxic materials.
- Ensure recycling or reuse of appropriate materials.
- Regulate final disposal.
- Regulate contaminated site cleanups.



Goal 3 objectives

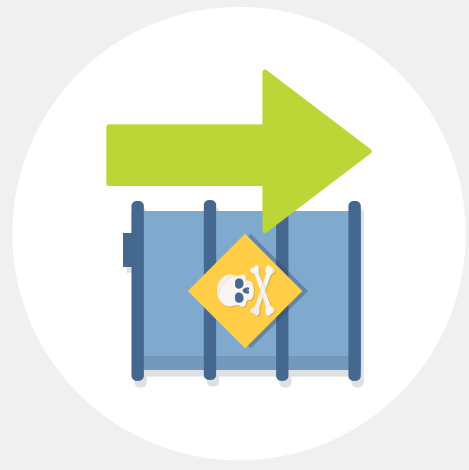
Prevent and reduce toxic threats and pollution



- 3.2** Increase regulatory compliance and use of best management practices and best available technology to clean up, reduce and, ultimately, prevent the release of toxic chemicals, waste, and pollution to Washington’s environment and communities.

Initiatives

- Pursue federal funding to secure a budget that supports [Hanford Site cleanup](#) activities in fiscal year 2024 and beyond.
- Reduce litter through effective pickup programs, diverse partnerships, and behavioral change campaigns.
- Improve the recycling system by promoting markets, supporting research, providing outreach, and implementing recycled content and single-use plastics requirements.
- Ensure regulated entities can pay costs for damages from oil spills through compliance with state laws on financial responsibility when transporting and handling oil.
- Reduce the risk of oil spills through risk analyses and rulemaking for spill prevention strategies, in partnership with the Washington Board of Pilotage.



Goal 3 objectives

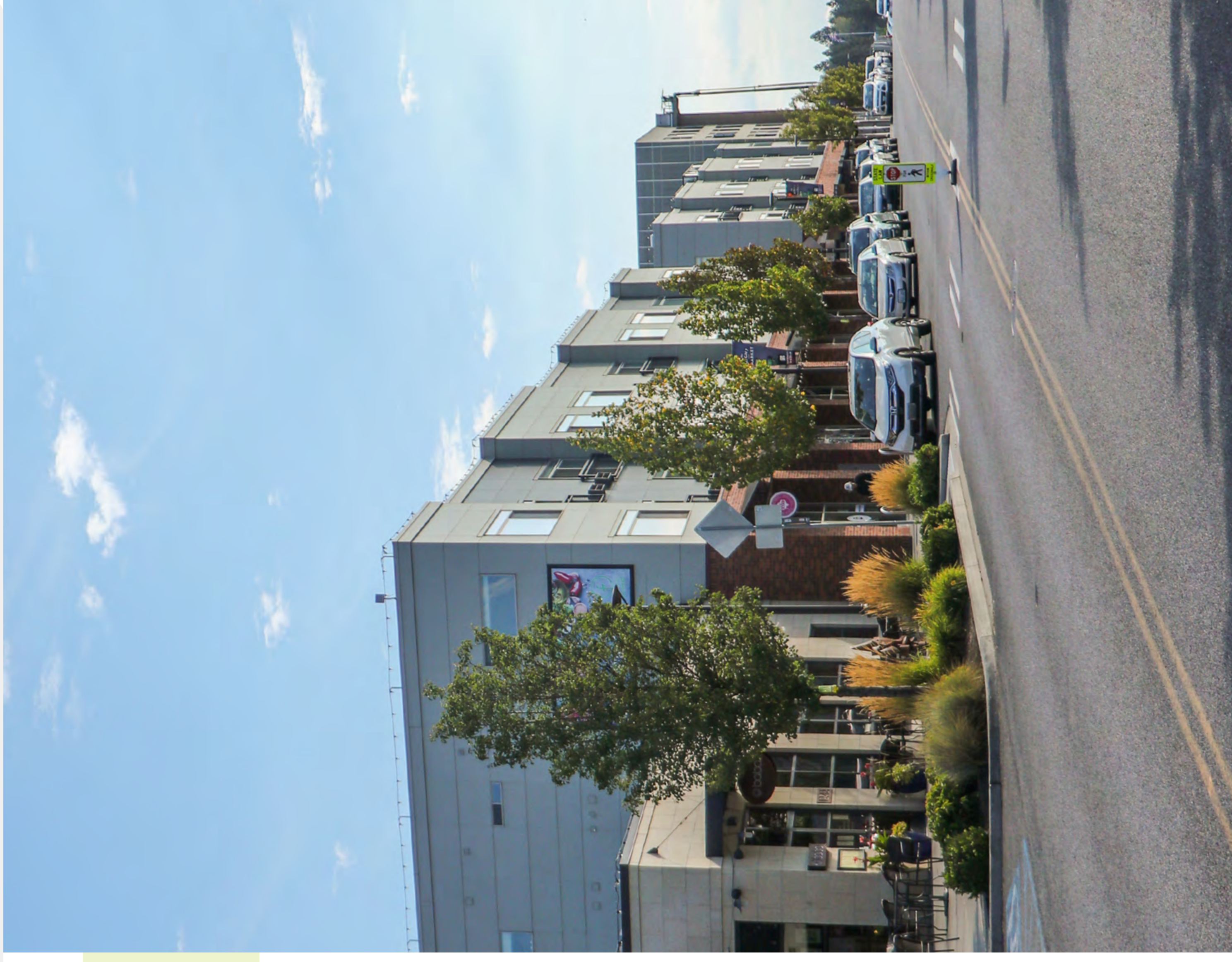
Prevent and reduce toxic threats and pollution



- 3.3** Advance environmental justice, environmental and human health, community needs, societal benefits, and economic vitality by reducing new and existing contamination.

Initiatives

- Prevent, reduce, and clean up toxic contaminants and air pollution in the environment, with an emphasis on overburdened communities.
- Prioritize **dangerous waste** compliance inspections to reduce environmental risks and negative impacts on overburdened communities.
- Provide incentives and **technical assistance to dangerous waste generators** to support waste reduction and compliance, while addressing impacts in overburdened communities.
- Increase opportunities for affordable housing by cleaning up contaminated sites, issuing grants, and working with communities.
- Prioritize cleanup and toxics reduction investments, including education and outreach, for communities with disproportionate impacts.
- Collaborate with Columbia River Basin partners (Tribes, non-governmental organizations, the federal Environmental Protection Agency, and state and local agencies) to develop a framework to implement strategies to protect and enhance human and ecosystem health from toxic threats impacting the Columbia River.





Goal 4

Protect and manage our state's waters

We provide a coordinated and collaborative approach to protecting and managing water. Ecology's work ensures Washington has high-quality water resources for people, aquatic species, and thriving ecological systems to meet current and future Tribal, agricultural, and community needs.

Our continued attention and protection of our state waters are essential. We commit to partnering and engaging with Tribes; businesses; the agriculture industry; communities, including a focus on vulnerable populations and overburdened communities; interest groups; and other state and local agencies. We are conducting research, gathering data, and making investments to restore, protect, and preserve our state's waters now and for future generations.

Read more about our

Goal 4 objectives >





Goal 4 objectives

Protect and manage our state's waters



- 4.1** Increase resiliency of Washington's watersheds to support salmon restoration, habitats, economies, and communities.

Initiatives

- Support development of a transboundary flood management initiative with British Columbia and secure durable funding and technical support for Nooksack River flood protection and restoration.
- Reduce [nitrogen loading](#) in Puget Sound to improve dissolved oxygen and meet water quality standards.
- Seek legislative authority for ongoing drought funding and implement planning and preparedness programs to reduce impacts.
- Develop and apply a strategic approach to direct our [Puget Sound Implementation Strategies](#) work that identifies programmatic and funding opportunities for Ecology to best leverage our work to support Puget Sound recovery.
- Provide technical assistance to help our customers identify and apply for federal funding opportunities directed toward Puget Sound priorities.



Columbia River Basin

Water in the Columbia River basin is in high demand for people, commerce, agriculture, and fish and wildlife. The region's population is growing and so is the need for water.

This watershed is vital to the thousands of businesses and industries that rely on the river and groundwater to irrigate crops, manufacture products, or provide a service or experience. Fish and wildlife also depend on it to live, reproduce, and thrive.

The watershed is also the ancestral home to tribal nations whose rights were memorialized in the Treaty of 1855. Furthermore, the Columbia River is one of the world's largest hydropower systems, providing low-cost energy to the Pacific Northwest.

Climate change is already impacting water supplies in the basin. As our climate continues warming, more droughts are predicated, longer growing seasons are anticipated, and demands on water expected to increase.

To protect this crucial watershed, the Legislature directed us to aggressively protect water supplies in the basin.



Goal 4 objectives

Protect and manage our state's waters



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- 4.3** Increase the use of integrated and innovative water solutions to improve water quality, water supply, streamflow, floodplains, and riparian habitat functions.

Initiatives

- Pursue integrated water resource solutions developed in collaboration with Tribes, local governments, and communities.
- Increase water availability in the Columbia River Basin for municipal, domestic, and agricultural purposes and promote water exchanges, improved efficiencies, and alternative water supplies.
- Develop and implement strategies for riparian restoration and protection.
- Ensure [Streamflow Restoration Competitive Grants](#) improve habitats to support healthy and sustainable salmon populations.
- Incorporate Department of Health drinking water standards into our Hanford Site cleanup process and permit to protect drinking water.
- Increase fish passage, improve habitat, and increase surface water flow during critical periods to benefit aquatic species across the Columbia River and Washington's waters.



- 4.2** Evaluate and improve processes and timelines for water-related permitting decisions.

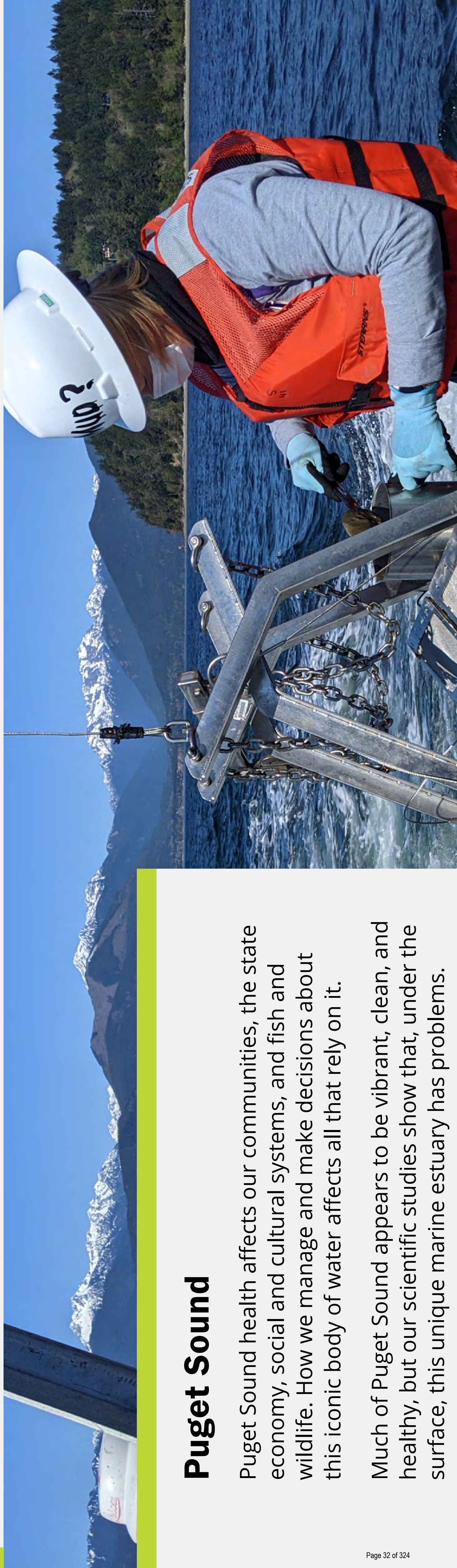
Initiatives

- Focus on improving permit processing timelines and local government support related to water quality permits.
- Reduce the backlog of water right applications through Targeted Application Processing.
- Conduct proactive outreach and education for communities to improve common understanding of water-related permitting processes.



Goal 4 objectives

Protect and manage our state's waters



Puget Sound

Puget Sound health affects our communities, the state economy, social and cultural systems, and fish and wildlife. How we manage and make decisions about this iconic body of water affects all that rely on it.

Much of Puget Sound appears to be vibrant, clean, and healthy, but our scientific studies show that, under the surface, this unique marine estuary has problems.

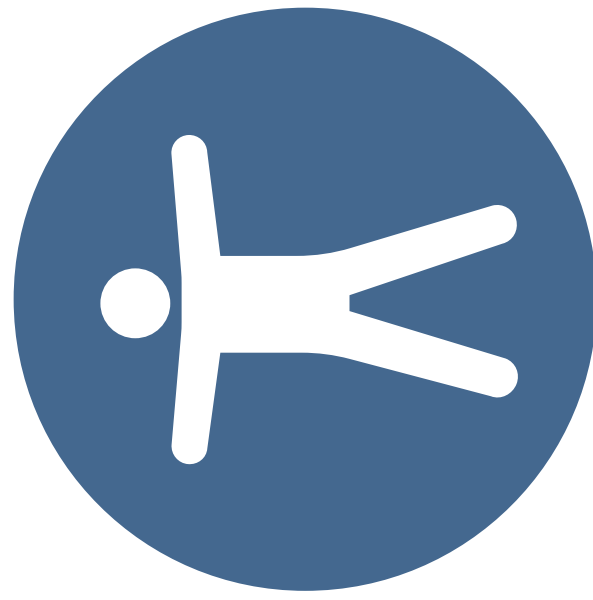
Human actions over the past century have damaged Puget Sound. Everyday activities continue to degrade the water quality, habitat in the region, and natural resources people depend on.

Survival of some species that depend on these waters are endangered or at risk, including Southern Resident Orca, salmon, and shorebirds. There is also concern for other harvested species, such as oysters, crab, and shrimp. Continued research and investments are needed to restore and preserve Puget Sound for people today and future generations.

- 4.4 Increase use of best available data, technology, and science to support best management practices that protect Washington's water.

Initiatives

- Develop a method to detect 6PPD-Quinone in the environment; develop and implement a monitoring program; identify best practices for stormwater; and limit, reduce, or eliminate use of this chemical.
- Monitor groundwater to assess conditions and trends and provide credible data to manage and assist communities with efforts to ensure clean and reliable water supplies.



ADA Accessibility

The Department of Ecology is committed to providing people with disabilities access to information and services by meeting or exceeding the requirements of the Americans with Disabilities Act (ADA), Section 504 and 508 of the Rehabilitation Act, and Washington State Policy #188.

To request an ADA accommodation, contact Ecology by phone at 360-407-6831 or email at ecyadacoordinator@ecy.wa.gov. For Washington Relay Service or TTY call 711 or 877-833-6341.

Visit [Ecology's website](#) for more information.



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Department of Ecology

2023-25 Agency Activity Inventory Descriptions

September 5, 2022

Activity	Activity Title	Description
A002	Administration	The administration activity supports agency functions by providing leadership, cross-program support, and staff presence throughout the state. Administration manages the agency's long-term financial health and provides information to support sound decision-making and resource management by managers. Communication, education, and outreach tools play a major role in protecting and improving the environment. Administration staff serve as liaisons to Congress, the state Legislature, local governments, businesses, Indian tribes, and environmental and citizen groups. Administration helps managers and employees create a safe, supportive, and diverse work environment by providing comprehensive human resource services. It also oversees information management (desktop and network services, application development, and data administration) and facility and vehicle management; maintains the agency's centralized records and library resources; responds to public records requests; and provides mail services.
A003	Implementing Integrated Solutions to Protect Instream Resources	<p>Ecology staff seeks to meet increasing water demands from population growth, while protecting limited instream resources and adapting to climate change. Actions include:</p> <ul style="list-style-type: none"> • Instream flow rules - Work with local stakeholders to implement and update, as needed, instream flow rules for fish and wildlife, recreation, and other instream resources. Evaluate regions of the state that are experiencing conflict over water, as potential areas for adjudication. • Streamflow Restoration - Work with watershed groups to establish or revise a streamflow restoration plan to mitigate the impacts of new domestic water use. • Section 401 federal licensing of dams - Collaborate with local governments, tribes, and other stakeholders to develop permit conditions for hydropower facilities that ensure minimum instream flows are met and that stream flows are adjusted to adapt to water supply conditions during the 50 year license period. • Water acquisition - Acquire senior water rights to restore and protect stream flows. Review municipal and industrial reclaimed water projects and water system plans to ensure new uses of water do not impair senior rights. Monitor water supply conditions that may impact water rights and the environment, and respond when water supplies are impacted by drought.
A005	Clean up the Most Contaminated Sites First (Upland and Aquatic)	Ecology protects public health and natural resources by cleaning up and managing contaminated upland sites and contaminated sediments in the aquatic environment. Resources are first focused on cleaning up contaminated sites that pose the greatest risk to public health and the environment. These include sites where contamination threatens drinking water, exists in a large quantity, is very toxic, may affect a waterbody or the environmental health of sediments, or may affect people that are living, working, or recreating near the site. Contamination may be in the soil, sediments, underground water, air, drinking water, or surface water. Ecology also manages multi agency upland and sediment cleanup projects. Cleaning up these sites protects public health, safeguards the environment, and promotes local economic development by making land available for new industries and other beneficial uses.

Activity	Activity Title	Description
A006	Clean Up Polluted Waters	The federal Clean Water Act requires the agency to develop water quality standards and to identify water bodies that fail to meet those standards. The agency does this by reviewing thousands of water quality data samples and publishing an integrated water quality assessment report. This report lists the water bodies that do not meet standards. Ecology then works with local interests to prepare water quality improvement reports to reduce pollution, establish conditions in discharge permits and nonpoint source management plans, and monitor the effectiveness of the improvement report.
A007	Conduct Environmental Studies for Pollution Source Identification and Control	Ecology conducts pollution identification studies to address known or suspected problems at specific sites and across regional areas. These studies support our efforts under the federal Clean Water Act, as well as the state Water Pollution Control and Model Toxics Control Acts. Studies range from simple water quality sampling for bacteria or dissolved oxygen, to very complex projects assessing the amount of nutrients in large watersheds. Many projects support development of water quality improvement plans or Total Maximum Daily Load (TMDLs) to assess how much of a pollutant a waterbody can absorb without exceeding water quality standards.
A008	Control Stormwater Pollution	Ecology prepares tools, provides assistance, and offers compliance strategies to control the quantity and quality of stormwater runoff from development and industrial activities. The agency currently provides training and assistance to communities and industries on stormwater manuals and the Western Washington hydrology model. Ecology works with local governments and other stakeholders to implement a municipal stormwater program and permitting system.
A009	Eliminate Waste and Promote Material Reuse	<p>The Department of Ecology:</p> <ul style="list-style-type: none"> • Provides technical assistance to local governments for waste reduction, and recycling, including focus on reducing contamination, addressing plastic packaging, and developing marketing programs for recycled commodities. • Reduces wasted food through a state food waste reduction and diversion plan. • Provides technical assistance to promote reuse of organic materials. • Ensures an environmentally compliant biosolids program in the state. • Advises state and local governments on how to promote environmentally preferred purchasing. • Oversees producer managed recycling programs.
A010	Prevent and Pick Up Litter	The Department of Ecology collaborates with residents, businesses, local governments and state agency partners, to maximize efforts to prevent and pick up litter to keep Washington clean for residents and visitors. Ecology also sponsors youth employment programs for litter pick up.

Activity	Activity Title	Description
A011	Ensure Dam Safety	This activity protects life, property, and the environment by overseeing the safety of Washington's dams. This includes inspecting the structural integrity and flood and earthquake safety of existing state dams not managed by the federal government; approving and inspecting new dam construction and repairs; and taking compliance and emergency actions.
A012	Ensure Environmental Laboratories Provide Quality Data	Ecology accredits environmental laboratories that submit data to the agency and to the Department of Health. The accreditation program covers analyses in all typical environmental matrices (air, water, soil, sediment, tissue), and drinking water. Accreditation ensures environmental laboratories have the demonstrated capability to provide accurate and defensible data. Ecology's laboratory accreditation program is the primary method of performance monitoring for over 400 laboratories in the accreditation program. Ecology will start accrediting cannabis laboratories in 2024. To prepare for this role, Ecology is leading the Cannabis Science Task Force to recommend lab quality standards for cannabis laboratories.
A013	Provide Planning and Financial Assistance to Manage and Reduce Waste	<p>The Department of Ecology provides planning assistance to local governments and financial assistance through three grant programs:</p> <ul style="list-style-type: none"> • Local Solid Waste Financial Assistance grants to local governments for solid waste planning, waste reduction (including food waste), recycling (including contamination reduction), household hazardous waste, and enforcement. • Public Participation Grants (PPG) to interest groups for informing residents about cleanups in their local area and educating the public about waste reduction efforts. • Waste Reduction and Recycling Education grants to local governments and non profit organizations to educate the public about litter control, waste reduction (including food waste), recycling (including contamination reduction), and composting.
A014	Restore the Air, Soil, and Water Contaminated from Past Activities at Hanford	The agency protects public health and natural resources by working to restore the public use of air, soil, and water at the Hanford Nuclear Reservation by cleaning up contaminated sites from past activities. Radioactive and hazardous contaminants are removed, residual contaminants are contained and monitored, and mitigation of natural resource damage on Hanford occurs.
A015	Clean Up and Remove Large, Complex, Contaminated Facilities throughout Hanford	The agency oversees the decommissioning of the large, complex, and high-risk facilities throughout the Hanford Nuclear Reservation, including nuclear reactors and chemical processing facilities used for nuclear weapons material production. Transition of these facilities to safe and stable conditions requires coordination of multiple regulatory and technical requirements. The agency is also responsible for regulatory oversight of waste management activities at four facilities not under the management of the U.S. Department of Energy (Energy Northwest, AREVA, Perma-Fix Northwest, and the U.S. Navy's Puget Sound Naval Shipyard).

Activity	Activity Title	Description
A016	Treat and Dispose of Hanford's High-Level Radioactive Tank Waste	The agency protects public health and natural resources by providing regulatory oversight for the treatment and removal of highly radioactive tank waste at the Hanford Nuclear Reservation. This activity is focused on the design, permitting, construction, and operation of the Hanford Waste Treatment Plant, the Integrated Disposal Facility (a mixed, low-level waste landfill), and immobilized high-level waste storage facility.
A017	Ensure Safe Tank Operations, Storage of Tank Wastes, & Closure of the Waste Storage Tanks at Hanford	The agency protects public health and natural resources by ensuring the safe storage and management of 53 million gallons of high-level radioactive tank waste at the Hanford Nuclear Reservation. The Hanford Tank Waste Project is focused on permitting the double-shelled tank waste storage system, removing liquid wastes from the single-shelled tanks, and beginning to close portions of the tank waste storage system. In coordination with the Hanford Tank Waste Disposal Project, the tank waste will be removed and treated, leading to eventual closure of all 177 Hanford tanks by 2028.
A018	Ensure the Safe Management of Radioactive Mixed Waste at Hanford	The agency provides regulatory oversight for the safe storage, treatment, and disposal of liquid and solid dangerous and radioactive mixed wastes at the Hanford Nuclear Reservation, as well as at radioactive mixed-waste sites throughout the state. This activity regulates the management of this historic and ongoing waste stream, and ensures the retrieval, treatment, and safe disposal of high-risk transuranic and high activity wastes currently buried in shallow, unlined trenches.
A020	Improve Quality of Data Used for Environmental Decision Making	<p>To ensure the reliability and integrity of data Ecology generates, agency staff:</p> <ul style="list-style-type: none"> • Provide guidance and training on developing quality assurance project plans. • Review project proposals. • Consult on sampling design requirements and interpretation of results. <p>This quality assurance work is required by the Environmental Protection Agency for entities (including Ecology) that receive funding for work involving environmental data. In addition, Ecology scientists, modelers, statisticians, chemists, and other specialists:</p> <ul style="list-style-type: none"> • Interpret technical data. • Review grantee monitoring plans. • Supply information for policy decisions to support agency mandates

Activity	Activity Title	Description
A021	Increase Safe Hazardous Waste Management, Pollution Prevention, and Compliance with Dangerous	<p>This activity supports the work the agency does to:</p> <ul style="list-style-type: none"> • Conduct dangerous waste compliance inspections, escalating to formal enforcement actions when necessary. • Amends the Dangerous Waste Regulations to keep our rules current with the federal program and maintain state authorization. • Provide dangerous waste management and pollution prevention education and technical assistance to businesses, including via local specialists through the Pollution Prevention Assistance partnership. • Issue permits to facilities that treat, store, or dispose of dangerous waste, and ensure that proper financial assurance requirements are in place.
A023	Manage Underground Storage Tanks to Minimize Releases	<p>Ecology currently regulates over 10,000 active tanks on over 3,600 different properties, including gas stations, industries, commercial properties, and governmental entities. We ensure tanks are installed, managed, and monitored according to federal standards and in a way that prevents releases into the environment. This is done through compliance inspections and providing technical assistance to tank owners and operators. Properly managing such tanks saves millions of dollars in cleanup costs and prevents contamination of limited drinking water and other groundwater resources.</p>
A024	Manage Water Rights	<p>The agency allocates surface and ground water to meet the state's many water supply needs. Ecology staff makes decisions on applications for new water rights, changes to existing water rights, and by participating in water rights adjudications in areas where additional certainty is needed.</p>
A025	Measure Air Pollution Levels and Emissions	<p>This activity supports the work the agency does to collect and monitor air quality and emissions data used to assess trends; assist compliance; and assess control strategies, health effects, and environmental damage from air pollution.</p>
A026	Measure Contaminants in the Environment by Performing Laboratory Analyses	<p>The Manchester Environmental Laboratory is a full service environmental laboratory. The lab provides technical, analytical, and sampling support for chemistry and microbiology for multiple Ecology programs, and supports work conducted under the federal Clean Water Act, as well as the state Water Pollution Control, Puget Sound Water Quality Protection, Children's Safe Products and Model Toxics Control Acts.</p>

Activity	Activity Title	Description
A027	Monitor the Quality of State Waters and Measure Stream Flows Statewide	<p>Ecology operates a statewide environmental monitoring network to:</p> <ul style="list-style-type: none"> • Assess the status of major waterbodies. • Identify threatened or impaired waters. • Evaluate changes and trends in water quality over time. <p>This network includes sampling stations in rivers, streams, and marine waters (Puget Sound and the major coastal estuaries). Ecology measures statewide biological, chemical, and habitat conditions to provide information on the health of watersheds on a regional scale. Ecology also measures stream flows in salmon critical basins and key watersheds statewide.</p>
A028	Improve Environmental Compliance at State's Largest Industrial Facilities	<p>The Department of Ecology provides a single point of contact for compliance reviews and technical assistance for petroleum refineries, pulp and paper mills, and aluminum smelters so they have consistent regulatory oversight.</p>
A030	Prepare for Aggressive Response to Oil and Hazardous Material Incidents	<p>This activity ensures large commercial vessels, oil handling facilities, and railroad operators that transport oil by rail maintain state-approved oil spill contingency plans so they can rapidly and effectively respond to major oil spills. State planning standards ensure response equipment and personnel are strategically staged throughout the state. This work is carried out through staff review and approval of contingency plans, drills that test contingency plans, development of geographic response plans, and maintenance of a regional contingency plan in partnership with other agencies.</p>
A031	Remediate Hazardous Waste Pollution and Restore Contaminated Sites to Productive Use	<p>This activity supports the work the agency does to:</p> <ul style="list-style-type: none"> • Oversee cleanup of high-priority corrective action sites. • Provide pollution prevention and toxics reduction technical assistance to hazardous waste generators.
A032	Prevent Point Source Water Pollution	<p>Ecology protects Washington's water by regulating point source discharges of pollutants to surface and ground waters. This is done with a wastewater permit program for sewage treatment plants and an industrial discharge program for other industries. A permit is a rigorous set of limits, monitoring requirements, or management practices, usually specific to a discharge, designed to ensure a facility can meet treatment standards and water quality limits. The permit is followed by regular inspections and site visits. Technical assistance and follow-up on permit violations also are provided through various means.</p>

Activity	Activity Title	Description
A033	Prevent Oil Spills from Vessels and Oil Handling Facilities	Ecology works with communities and regulated entities to prevent spills from vessels and oil handling facilities through inspections, review and approval of plans and manuals, technical assistance, incident investigation, and risk assessment work.
A034	Prevent Unhealthy Air and Violations of Air Quality Standards	This activity supports the work the agency does to develop and implement State Implementation Plans to maintain healthy air, prevent violations, and cleanup areas that violate standards as quickly as possible.
A035	Promote Compliance with Water Laws	The agency helps ensure that water users comply with the state's water laws so that other legal water users are not impaired; water use remains sustainable over the long term; and the environment is protected for the benefit of people and nature. Activities include water metering and reporting 80 percent of water use in 16 fish critical basins, along with education, technical assistance, and strategic enforcement in egregious cases.
A036	Protect and Manage Shorelines in Partnership with Local Governments	The Shoreline Management Act establishes a cooperative program between local and state governments, in which local governments develop and administer local Shoreline Master Programs, and the Department of Ecology provides support and oversight. The agency is involved in shoreline management in four primary ways: developing guidelines for local shoreline programs; providing technical assistance to local governments and applicants on shoreline planning and permitting activities; reviewing and approving amendments to local shoreline master programs; and reviewing permits to ensure resource protection and implementation of the law. The agency works with local governments on permit compliance by responding to public inquiries and complaints, making field visits, providing compliance-related technical assistance, and issuing notices of correction, orders, and penalties. Properly managed shorelines provide habitat for fish and wildlife, minimize flooding and property damage, and provide land-use certainty to local landowners.
A037	Protect Water Quality by Reviewing and Conditioning Construction Projects	The Department of Ecology issues water quality certifications and Coastal Zone Management Act consistency determinations for water-related construction projects. Staff provide early review on projects whenever possible (e.g., through State Environmental Policy Act review and pre-application meetings) and provide project guidance and technical assistance through phone calls, e-mails, site visits, and workshops. Projects are approved, denied, or conditioned to protect water quality, sediment quality, and fish and shellfish habitat. This activity allows the state to actively participate in federal permitting activities to ensure that state interests are adequately represented and considered.

Activity	Activity Title	Description
A038	Protect, Restore, and Manage Wetlands	<p>The Department of Ecology is the lead agency responsible for implementing the state Water Pollution Control Act, which requires the protection of wetlands. The agency provides leadership on wetlands issues, coordinates statewide policy issues, and develops new approaches for managing and restoring wetlands. The agency provides technical assistance to local governments, helping them implement requirements in the Shoreline Management and Growth Management acts. The agency also provides technical assistance to non-government entities on wetlands conservation and stewardship programs.</p>
A040	Provide Technical and Financial Assistance to Local Governments to Reduce Flood Hazards	<p>The Department of Ecology administers the Flood Control Assistance Account Program, providing grants and technical assistance to local governments for flood damage reduction projects and comprehensive flood hazard management planning. Staff review and approve local Comprehensive Flood Hazard Management Plans and inspect construction of flood damage reduction projects. The Department of Ecology is also the state's coordinating agency for the National Flood Insurance Program (NFIP) and receives an annual Community Assistance Program grant to provide technical assistance and support to 286 communities enrolled in the NFIP. In this role, staff make regularly scheduled technical assistance visits to communities, assess local regulatory programs for compliance with state and federal requirements, and provide workshops and other outreach on flood hazard recognition and reduction. Proper flood control planning and projects protect both private and public property, as well as natural resources and fish and wildlife habitat.</p>
A041	Provide Technical Assistance on State Environmental Policy Act (SEPA) Review	<p>SEPA was adopted in 1971 to ensure that state and local decision makers consider the environmental impacts of their actions. The SEPA law provides an opportunity for local citizen involvement in the environmental review process and provides developers an opportunity to identify mitigation opportunities that facilitate overall project approval and minimize development costs. The agency provides training and assistance to local governments and the public, and manages the SEPA register.</p>
A042	Provide Technical Training, Education, and Research through Padilla Bay Estuarine Reserve	<p>The Padilla Bay National Estuarine Research Reserve in Skagit County is part of a national network of reserves established to protect estuaries for research and education. The Padilla Bay Reserve conducts a broad array of public education programs, technical and professional training, coastal restoration, and scientific research and monitoring. Managed in partnership with the National Oceanic and Atmospheric Administration (NOAA), the reserve includes over 11,000 acres of tidelands and uplands; the Breazeale Interpretive Center with aquaria and touch pool; a research laboratory; residential quarters; trails; and support facilities. The reserve also provides funds and technical support to local Marine Resource Committees as part of the Northwest Straits Initiative, and administers the Northwest Straits Marine Commission.</p>

Activity	Activity Title	Description
A043	Provide Water Quality Financial Assistance	Ecology provides grants, low-interest loans, and technical assistance to local governments, state agencies, and tribes to enable them to build, upgrade, repair, or replace facilities to improve and protect water quality. This includes meeting the state's obligation to manage the Water Pollution Control Revolving Fund in perpetuity. Ecology also funds nonpoint-source control projects such as watershed planning, stormwater management, freshwater aquatic weed management, education, and agricultural best management practices. Grants are targeted to nonpoint-source problems and communities where needed wastewater facilities projects would be a financial hardship for taxpayers. Local governments use loans for both point and nonpoint-source water pollution prevention and correction projects. Ecology coordinates grant and loan assistance with other state and federal funding agencies.
A044	Provide Water Resources Data and Information	The collection, management, and sharing of data and information is critical to modern water management. It is essential to local watershed groups, conservancy boards, businesses, local governments, nonprofit groups, the Legislature, other agencies, and the media. It supports daily agency operations, including making water allocation decisions; setting and achieving stream flows; identifying the location and characteristics of wells, dams, and water diversions; supporting compliance actions; metering; tracking progress; communicating with constituents; and serving other water resource functions.
A045	Reduce Air Pollution from Industrial and Commercial Sources	This activity supports the work the agency does to ensure new and existing industrial and commercial facilities that emit significant levels of air pollution comply with state and federal air quality standards.
A047	Reduce Health and Environmental Threats from Motor Vehicle Emissions	This activity supports the work the agency does to implement Washington's Clean Car standards and provide grants to incentivize cleaner motor vehicles and fuels.
A048	Reduce Health and Environmental Threats from Smoke	<p>This activity supports the work the agency does to :</p> <ul style="list-style-type: none"> • Administer the state's smoke management program that oversees outdoor burning and woodstoves. • Assist communities, local health organizations, and fire suppression agencies with health impact messaging and recommendations during large-scale wildfire events.

Activity	Activity Title	Description
A049	Reduce Nonpoint-Source Water Pollution	Nonpoint-source pollution (polluted runoff) is the leading cause of water pollution and poses a major health and economic threat. Types of nonpoint pollution include fecal coliform bacteria, elevated water temperature, pesticides, sediments, and nutrients. Sources of pollution include agriculture, forestry, urban and rural runoff, recreation, hydrologic modification, and loss of aquatic ecosystems. Ecology addresses these problems through raising awareness; encouraging community action; providing funding; and supporting local decision makers. The agency also coordinates with other stakeholders through the Washington State Nonpoint Workgroup, the Forest Practices Technical Assistance group, and the Agricultural Technical Assistance group.
A052	Reduce the Generation of Hazardous Waste and the Use of Toxic Substances through Technical Assistance	This activity supports the work the agency does to provide pollution prevention and toxics reduction technical assistance to hazardous waste generators.
A053	Regulate Well Construction	The agency protects consumers, well drillers, and the environment by licensing and regulating well drillers, investigating complaints, approving variances from construction standards, and providing continuing education to well drillers. The work is accomplished in partnership with delegated counties. It delivers technical assistance to homeowners, well drillers, tribes, and local governments.
A054	Rapidly Respond to and Clean Up Oil and Hazardous Material Spills	This activity ensures Ecology and its partners respond to spills in a rapid, aggressive, and well-coordinated manner to ensure impacts to the environment are minimized. Spill response capability is maintained 24 hours a day and seven days a week statewide. This includes ensuring the safety of the public and emergency responders, performing cleanup and oversight of cleanup activities, coordinating wildlife rescue and rehabilitation activities, providing timely information to the public and stakeholders about response activities, and implementing protection strategies to minimize impacts to Washington's environmental, cultural and economic resources. Enforcement actions are issued based on results of incident investigations.
A055	Restore Public Natural Resources Damaged by Oil Spills	When spills occur, Ecology provides incident notification to natural resource trustees and responds to the incident to assess impacts, collect samples, and determine the extent of injury to state publicly owned resources. Ecology then leads the interagency Resource Damage Assessment (RDA) Committee to assess damages and seek fair compensation for damages to Washington resources. Ecology works with the RDA Committee and responsible parties in funding, planning, and implementing effective restoration projects to restore impacted resources. Ecology manages the Coastal Protection Fund Grant process for restoration work, and performs follow-up restoration site visits to ensure they were effective.

Activity	Activity Title	Description
A056	Restore Watersheds by Supporting Community- Based Projects with the Washington Conservation Corps	The Washington Conservation Corps (WCC) was established in 1983 to conserve, rehabilitate, and enhance the state's natural and environmental resources, while providing educational opportunities and meaningful work experiences for young adults (ages 18-25). The WCC creates partnerships with federal, state, and local agencies, private entities, and nonprofit groups to complete a variety of conservation-related projects. These include stream and riparian restoration, wetlands restoration and enhancement, soil stabilization, and other forest restoration activities, fencing, and trail work. The WCC also provides emergency response and hazard mitigation services to local communities.
A057	Services to Site Owners that Volunteer to Clean Up their Contaminated Sites	Ecology provides services to site owners or operators who initiate clean up of their contaminated sites. Voluntary cleanups can be done in a variety of ways: Completely independent of the agency; independent with some agency assistance or review; or with agency oversight under a signed legal agreement (an agreed order or consent decree). They may be done through consultations, prepayment agreements, prospective purchaser agreements, and brownfields redevelopment. The voluntary cleanup program minimizes the need for public funding used for such cleanup and promotes local economic development through new industries and other beneficial uses of cleaned properties.
A063	Climate Change Mitigation and Adaptation	<p>This activity supports the work the agency does to conduct a biennial greenhouse gas emissions inventory, administer the state's mandatory greenhouse gas reporting program, and help state agencies and higher education institutions identify and report their greenhouse gas emissions and develop strategies to reduce those emissions.</p> <p>It also supports the work the agency does to implement a portfolio of policies to reduce greenhouse gas emissions to meet the state's greenhouse gas emission limits.</p>
A064	Manage Solid Waste Safely	<p>To ensure that solid waste handling and disposal facilities are in compliance with environmental requirements, Ecology:</p> <ul style="list-style-type: none"> • Sets standards for the proper handling and disposal of solid waste. • Negotiates and implements cleanup orders under the Model Toxics Control Act, and oversees cleanup actions at solid waste facilities. • Provides technical assistance, permit review, and regulatory, engineering and hydrogeology expertise to local health departments who permit solid waste handling and disposal facilities.

Activity	Activity Title	Description
A065	Reduce Toxic Chemicals in Products and Promote Safer Alternatives	<p>This activity supports the work the agency does to:</p> <ul style="list-style-type: none"> • Work with key organizations and interest groups, especially Department of Health, to identify chemicals of concern, review science, and develop and implement action plans to reduce presence of toxic chemicals in the environment. • Provide information safer alternatives and green chemistry to business, education, government, and public sectors. • Update and enforce statutory reporting requirements and limits in specific products.



**ABS033 Performance Measure Incremental Estimates
461 Department of Ecology
2024 First Supplemental Budget Session
S1 - Supplemental 2024**

Activity:

CB	T0PL	PA	PA	PC	PC	PE	PE	PF	PF	PG	PG	PH	PH	PI	PI	PJ	PJ	PK	PK
CB	T0PL	PA	PA	PC	PC	PE	PE	PF	PF	PG	PG	PH	PH	PI	PI	PJ	PJ	PK	PK

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Dollars in Thousands

Activity: A002 Administration

ML	9Z	No measures linked to decision package
PL	PA	No measures linked to decision package
PL	PC	No measures linked to decision package
PL	PE	No measures linked to decision package
PL	PF	No measures linked to decision package
PL	PG	No measures linked to decision package
PL	PH	No measures linked to decision package
PL	PI	No measures linked to decision package
PL	PJ	No measures linked to decision package
PL	PK	No measures linked to decision package

Activity: A003 Implementing Integrated Solutions to Protect Instream Resources

ML 9Z No measures linked to decision package

Activity: A005 Clean up the Most Contaminated Sites First (Upland and Aquatic)

ML 9Z No measures linked to decision package

Activity: A006 Clean Up Polluted Waters

ML	9Z	No measures linked to decision package
PL	PH	No measures linked to decision package

Activity: A007 Conduct Environmental Studies for Pollution Source Identification and Control

ML	9Z	No measures linked to decision package
PL	PH	No measures linked to decision package

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Activity: A008 Control Stormwater Pollution

ML 9Z
PL PH

No measures linked to decision package
No measures linked to decision package

Activity: A009 Eliminate Waste and Promote Material Reuse

ML 9Z
PL PH

No measures linked to decision package
No measures linked to decision package

Activity: A010 Prevent and Pick Up Litter

ML 9Z

No measures linked to decision package

Activity: A011 Ensure Dam Safety

ML 9Z

No measures linked to decision package

Activity: A012 Ensure Environmental Laboratories Provide Quality Data

ML 9Z
PL PJ

No measures linked to decision package
No measures linked to decision package

Activity: A013 Provide Planning and Financial Assistance to Manage and Reduce Waste

ML 9Z

No measures linked to decision package

Activity: A014 Restore the Air, Soil, and Water Contaminated from Past Activities at Hanford

ML 9Z

No measures linked to decision package

ABS033 Performance Measure Incremental Estimates
461 Department of Ecology
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Dollars in Thousands

Activity: A015 Clean Up and Remove Large, Complex, Contaminated Facilities throughout Hanford

ML 9Z

No measures linked to decision package

Activity: A016 Treat and Dispose of Hanford’s High-Level Radioactive Tank Waste

ML 9Z

No measures linked to decision package

Activity: A017 Ensure Safe Tank Operations, Storage of Tank Wastes, & Closure of the Waste Storage Tanks :

ML 9Z

No measures linked to decision package

Activity: A018 Ensure the Safe Management of Radioactive Mixed Waste at Hanford

ML 9Z
PL PC

No measures linked to decision package
No measures linked to decision package

Activity: A019 Support and Engage our Communities and Provide Hazardous Substance and Waste Informat

ML 9Z

No measures linked to decision package

Activity: A020 Improve Quality of Data Used for Environmental Decision Making

ML 9Z

No measures linked to decision package

Activity: A021 A021 Increase Safe Hazardous Waste Management, Pollution Prevention, and Compliance wit

ML 9Z

No measures linked to decision package

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Dollars in Thousands

Activity: A023 Manage Underground Storage Tanks to Minimize Releases

ML9Z

No measures linked to decision package

Activity: A024 Manage Water Rights

ML9Z

No measures linked to decision package

Activity: A025 Measure Air Pollution Levels and Emissions

ML9Z
PLPH

No measures linked to decision package
No measures linked to decision package

Activity: A026 Measure Contaminants in the Environment by Performing Laboratory Analyses

ML9Z
PLPH

No measures linked to decision package
No measures linked to decision package

Activity: A027 Monitor the Quality of State Waters and Measure Stream Flows Statewide

ML9Z

No measures linked to decision package

Activity: A028 Improve Environmental Compliance at State's Largest Industrial Facilities

ML9Z

No measures linked to decision package

Activity: A030 Prepare for Aggressive Response to Oil and Hazardous Material Incidents

ML9Z
PLPA

No measures linked to decision package
No measures linked to decision package

ABS033 Performance Measure Incremental Estimates

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Dollars in Thousands

Activity: A031 A031 Remediate Hazardous Waste Pollution and Restore Contaminated Sites to Productive Us

ML9Z

No measures linked to decision package

Activity: A032 Prevent Point Source Water Pollution

ML9Z
PLPF
PLPH

No measures linked to decision package
No measures linked to decision package
No measures linked to decision package

Activity: A033 Prevent Oil Spills from Vessels and Oil Handling Facilities

ML9Z

No measures linked to decision package

Activity: A034 Prevent Unhealthy Air and Violations of Air Quality Standards

ML9Z

No measures linked to decision package

Activity: A035 Promote Compliance with Water Laws

ML9Z

No measures linked to decision package

Activity: A036 Protect and Manage Shorelines in Partnership with Local Governments

ML9Z
PLPH

No measures linked to decision package
No measures linked to decision package

Activity: A037 Protect Water Quality by Reviewing and Conditioning Construction Projects

ML9Z

No measures linked to decision package

ABS033 Performance Measure Incremental Estimates
461 Department of Ecology
S1 - Supplemental 2024
Dollars in Thousands

Activity: A038 Protect, Restore, and Manage Wetlands

ML 9Z
PL PH
PL PI

No measures linked to decision package
No measures linked to decision package
No measures linked to decision package

Activity: A040 Provide Technical and Financial Assistance to Local Governments to Reduce Flood Hazards

ML 9Z

No measures linked to decision package

Activity: A041 Provide Technical Assistance on State Environmental Policy Act (SEPA) Review

ML 9Z

No measures linked to decision package

Activity: A042 Provide Technical Training, Education, and Research through Padilla Bay Estuarine Reserve

ML 9Z

No measures linked to decision package

Activity: A043 Provide Water Quality Financial Assistance

ML 9Z
PL PH

No measures linked to decision package
No measures linked to decision package

Activity: A044 Provide Water Resources Data and Information

ML 9Z

No measures linked to decision package

Activity: A045 Reduce Air Pollution from Industrial and Commercial Sources

ML 9Z

No measures linked to decision package

ABS033 Performance Measure Incremental Estimates
461 Department of Ecology
S1 - Supplemental 2024
Dollars in Thousands

Activity: A047 Reduce Health and Environmental Threats from Motor Vehicle Emissions

ML 9Z

No measures linked to decision package

Activity: A048 Reduce Health and Environmental Threats from Smoke

ML 9Z

No measures linked to decision package

Activity: A049 Reduce Nonpoint-Source Water Pollution

ML 9Z
PL PG
PL PH

No measures linked to decision package
No measures linked to decision package
No measures linked to decision package

Activity: A052 Reduce the Generation of Hazardous Waste and the Use of Toxic Substances through Technica

ML 9Z
PL PH

No measures linked to decision package
No measures linked to decision package

Activity: A053 Regulate Well Construction

ML 9Z

No measures linked to decision package

Activity: A054 Rapidly Respond to and Clean Up Oil and Hazardous Material Spills

ML 9Z

No measures linked to decision package

Activity: A055 Restore Public Natural Resources Damaged by Oil Spills

ML 9Z

No measures linked to decision package

Activity: A056 Restore Watersheds by Supporting Community-Based Projects with the Washington Conserva

ML 9Z

No measures linked to decision package

Activity: A057 Services to Site Owners that Volunteer to Clean Up their Contaminated Sites

ML 9Z

No measures linked to decision package

Activity: A063 Climate Change Mitigation and Adaptation

ML 9Z
PL PK

No measures linked to decision package
No measures linked to decision package

Activity: A064 Manage Solid Waste Safely

ML 9Z

No measures linked to decision package

Activity: A065 A065 Prevent the Use of Toxic Chemicals in Products and Promote Safer Alternatives

ML 9Z

No measures linked to decision package

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2023-25 ACTIVITY INVENTORY INDIRECT COST ALLOCATION

DEPARTMENT OF ECOLOGY
8/22/2023

Act. #	Prog	Activity Title	Allocation Received %	FY24			FY25			Bien
				Program Admin	Agency Overhead	Total Indirect	Program Admin	Agency Overhead	Total Indirect	
A002	A00	Administration	10.18%	1,074,155	5,737,638	6,811,793	1,110,786	5,644,152	6,754,938	13,566,731
A003	H00	Implementing Integrated Solutions to Protect Instream Resources	1.98%	196,237	1,130,203	1,326,440	201,955	1,111,788	1,313,743	2,640,183
A005	J00	Clean up the Most Contaminated Sites First (Upland and Aquatic)	9.43%	800,331	5,514,898	6,315,229	822,849	5,425,040	6,247,889	12,563,118
A006	F00	Clean Up Polluted Waters	1.41%	81,437	863,464	944,901	82,330	849,395	931,725	1,876,626
A007	D00	Conduct Environmental Studies for Pollution Source Identification and Control	3.77%	258,666	2,265,907	2,524,573	266,010	2,228,987	2,494,997	5,019,570
A008	F00	Control Stormwater Pollution	2.70%	156,261	1,656,807	1,813,068	157,973	1,629,811	1,787,784	3,600,852
A009	N00	Eliminate Waste and Promote Material Reuse	2.70%	254,730	1,555,061	1,809,791	263,312	1,529,723	1,793,035	3,602,826
A010	N00	Prevent and Pick Up Litter	1.18%	111,486	680,597	792,083	115,243	669,508	784,751	1,576,834
A011	H00	Ensure Dam Safety	0.65%	64,457	371,235	435,692	66,335	365,186	431,521	867,213
A012	D00	Ensure Environmental Laboratories Provide Quality Data	0.59%	40,338	353,360	393,698	41,483	347,603	389,086	782,784
A013	N00	Provide Planning and Financial Assistance to Manage and Reduce Waste	0.53%	49,775	303,862	353,637	51,452	298,911	350,363	704,000
A014	K00	Restore the Air, Soil, and Water Contaminated from Past Activities at Hanford	0.86%	111,451	463,356	574,807	114,794	455,806	570,600	1,145,407
A015	K00	Clean Up and Remove Large, Complex, Contaminated Facilities throughout Hanford	0.72%	92,931	386,359	479,290	95,719	380,064	475,783	955,073
A016	K00	Treat and Dispose of Hanford's High-Level Radioactive Tank Waste	1.71%	222,240	923,962	1,146,202	228,907	908,907	1,137,814	2,284,016
A017	K00	Ensure Safe Tank Operations, Storage of Tank Wastes, and Closure of the Waste Storage Tanks at Hanford	0.95%	123,026	511,479	634,505	126,717	503,145	629,862	1,264,367
A018	K00	Ensure the Safe Management of Radioactive Mixed Waste at Hanford	1.04%	134,932	560,977	695,909	138,979	551,837	690,816	1,386,725
A019	M00	Support and Engage our Communities and Provide Hazardous Substance and Waste Information	1.13%	76,311	681,972	758,283	78,516	670,860	749,376	1,507,659
A020	D00	Improve Quality of Data Used for Environmental Decision Making	0.21%	14,440	126,495	140,935	14,850	124,434	139,284	280,219
A021	M00	Increase Safe Hazardous Waste Management, Pollution Prevention, and Compliance with Dangerous	2.54%	171,084	1,528,937	1,700,021	176,027	1,504,025	1,680,052	3,380,073
A023	J00	Manage Underground Storage Tanks to Minimize Releases	1.17%	99,567	686,097	785,664	102,369	674,918	777,287	1,562,951
A024	H00	Manage Water Rights	2.92%	289,342	1,666,431	1,955,773	297,773	1,639,279	1,937,052	3,892,825
A025	B00	Measure Air Pollution Levels and Emissions	1.15%	89,204	679,222	768,426	91,049	668,155	759,204	1,527,630
A026	D00	Measure Contaminants in the Environment by Performing Laboratory Analyses	1.40%	96,372	844,215	940,587	99,108	830,460	929,568	1,870,155
A027	D00	Monitor the Quality of State Waters and Measure Stream Flows Statewide	2.52%	172,810	1,513,813	1,686,623	177,717	1,489,147	1,666,864	3,353,487
A028	N00	Improve Environmental Compliance at State's Largest Industrial Facilities	1.14%	107,207	654,473	761,680	110,819	643,809	754,628	1,516,308
A030	P00	Prepare for Aggressive Response to Oil and Hazardous Material Incidents	1.29%	127,148	736,970	864,118	130,744	724,962	855,706	1,719,824
A031	M00	Remediate Hazardous Waste Pollution and Restore Contaminated Sites to Productive Use	0.69%	46,771	417,983	464,754	48,123	411,172	459,295	924,049
A032	F00	Prevent Point Source Water Pollution	6.23%	359,984	3,816,843	4,176,827	363,928	3,754,653	4,118,581	8,295,408
A033	P00	Prevent Oil Spills from Vessels and Oil Handling Facilities	1.40%	138,297	801,592	939,889	142,208	788,531	930,739	1,870,628
A034	B00	Prevent Unhealthy Air and Violations of Air Quality Standards	1.52%	118,637	903,338	1,021,975	121,091	888,619	1,009,710	2,031,685
A035	H00	Promote Compliance with Water Laws	1.23%	121,753	701,221	822,974	125,300	689,796	815,096	1,638,070
A036	E00	Protect and Manage Shorelines in Partnership with Local Governments	2.87%	190,510	1,732,429	1,922,939	194,886	1,704,201	1,899,087	3,822,026
A037	E00	Protect Water Quality by Reviewing and Conditioning Construction Projects	0.88%	58,211	529,353	587,564	59,549	520,728	580,277	1,167,841
A038	E00	Protect, Restore, and Manage Wetlands	1.50%	99,791	907,463	1,007,254	102,083	892,677	994,760	2,002,014
A040	E00	Provide Technical and Financial Assistance to Local Governments to Reduce Flood Hazards	0.47%	31,298	284,613	315,911	32,017	279,976	311,993	627,904
A041	E00	Provide Technical Assistance on State Environmental Policy Act (SEPA) Review	1.03%	68,493	622,849	691,342	70,066	612,701	682,767	1,374,109
A042	E00	Provide Technical Training, Education, and Research through Padilla Bay Estuarine Reserve	0.95%	63,352	576,101	639,453	64,807	566,715	631,522	1,270,975
A043	F00	Provide Water Quality Financial Assistance	3.18%	183,623	1,946,920	2,130,543	185,635	1,915,197	2,100,832	4,231,375

2023-25 ACTIVITY INVENTORY INDIRECT COST ALLOCATION

Act. #	Prog	Activity Title	Allocation Received %	FY24			FY25			Total Indirect	Total Indirect	Total Allocated
				Program Admin	Agency Overhead	Total Indirect	Program Admin	Agency Overhead	Total Indirect			
A044	H00	Provide Water Resources Data and Information	1.58%	156,130	899,213	1,055,343	160,679	884,562	1,045,241	2,100,584		
A045	B00	Reduce Air Pollution from Industrial and Commercial Sources	0.92%	71,688	545,852	617,540	73,171	536,959	610,130	1,227,670		
A047	B00	Reduce Health and Environmental Threats from Motor Vehicle Emissions	0.39%	29,975	228,241	258,216	30,595	224,522	255,117	513,333		
A048	B00	Reduce Health and Environmental Threats from Smoke	0.76%	59,228	450,981	510,209	60,453	443,633	504,086	1,014,295		
A049	F00	Reduce Nonpoint Source Water Pollution	2.01%	116,191	1,231,949	1,348,140	117,464	1,211,876	1,329,340	2,677,480		
A052	M00	Reduce the Generation of Hazardous Waste and the Use of Toxic Substances through Technical Assistance	1.10%	73,849	659,973	733,822	75,983	649,219	725,202	1,459,024		
A053	H00	Regulate Well Construction	0.33%	32,467	186,992	219,459	33,413	183,946	217,359	436,818		
A054	P00	Rapidly Respond to and Clean Up Oil and Hazardous Material Spills	2.30%	227,016	1,315,821	1,542,837	233,436	1,294,381	1,527,817	3,070,654		
A055	P00	Restore Public Natural Resources Damaged by Oil Spills	0.13%	13,284	76,997	90,281	13,660	75,742	89,402	179,683		
A056	E00	Restore Watersheds by Supporting Community-Based Projects with the WCC	2.95%	196,104	1,783,301	1,979,405	200,609	1,754,245	1,954,854	3,934,259		
A057	J00	Services to Site Owners that Volunteer to Clean Up their Contaminated Sites	1.26%	107,150	738,345	845,495	110,165	726,314	836,479	1,681,974		
A063	A00, B00	Climate Change Mitigation and Adaptation	5.59%	436,590	3,310,864	3,747,454	445,700	3,256,917	3,702,617	7,450,071		
A064	N00	Manage Solid Waste Safety	1.20%	113,288	691,596	804,884	117,105	680,328	797,433	1,602,317		
A065	M00	Prevent the Use of Toxic Chemicals in Products and Promote Safer Alternatives	1.64%	110,927	991,334	1,102,261	114,133	975,182	1,089,315	2,191,576		
		Total	100.00%	8,240,545	58,749,954	66,990,499	8,460,075	57,792,704	66,252,779	133,243,278		

Allocation Method Description

Under OFM definitions, "administrative" costs are made up of two components, indirect costs and overhead costs.

- "Indirect" costs, the subject of this table, are costs that tend to vary with activity level or size. These costs are assigned to activities and are included in the cost of each activity. For Ecology, these include program administration costs, and agency level cost allocated costs. Program administration costs are incurred within the environmental programs and are assigned to the activities within each program based on FTEs. Agency level cost allocated costs are allocated to environmental programs according to various allocation bases (e.g. facility costs are allocated based on square footage) and then assigned to activities within each program based on FTEs.
- "Overhead" costs are costs that usually support the entire organization, and tend to be relatively fixed and not readily affected by fluctuations in activity levels. These costs are not assigned to activities. They make up the one "administration" activity. In Ecology these costs are in program A00.

Department of Ecology
2024 Supplemental Operating Budget
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Dollars in Thousands

ABS024 Recommendation Summary **Department of Ecology** **2024 First Supplemental Budget Session** **S1 - Supplemental 2024**

	Average Annual FTEs	General Fund State	Other Funds	Total Funds
CB T0PL Current Biennium Base	2,136.5	76,637	785,934	862,571
2023-25 Current Biennium Total	2,136.5	76,637	785,934	862,571
Total Carry Forward Level	2,136.5	76,637	785,934	862,571
Percent Change from Current Biennium	.0%	.0%	.0%	.0%
Maintenance – Other Changes				
ML 8L Lease Adjustments	0.0	0	14	14
MLMA Compensation for New 2023-25 FTEs	0.0	267	2,206	2,473
MLMB Fire Protection & Emergency Service	0.0	12	86	98
MLMC Property Insurance Cost Increases	0.0	112	710	822
Maintenance – Other Total	0.0	391	3,016	3,407
Total Maintenance Level	2,136.5	77,028	788,950	865,978
Percent Change from Current Biennium	.0%	.5%	.4%	.4%
Policy – Other Changes				
PL PA Certifying Financial Responsibility	1.8	0	588	588
PL PB NEP Stormwater Strategic Initiative	0.0	0	10,000	10,000
PL PC Hanford Dangerous Waste Permit	1.2	0	380	380
PL PD WCC Service Equity & EJ Initiative	0.0	0	896	896
PL PE Modernize Surface Water Mapping	1.8	0	3,307	3,307
PL PF Fix and Modernize WQ Permit Systems	1.8	0	591	591
PL PG Nutrient Credit Trading	0.6	410	0	410
PL PH Fed Authority for BIL/IRA Grants	12.6	0	27,128	27,128
PL PI Protecting State Waters	7.6	0	2,408	2,408
PL PJ Cannabis Lab Accreditation	2.3	0	782	782
PL PK Climate Pollution Reduction	10.4	409	3,154	3,563
Policy – Other Total	39.9	819	49,234	50,053
Subtotal - Policy Level Changes	39.9	819	49,234	50,053
2023-25 Total Policy Level	2,176.3	77,847	838,184	916,031
Percent Change from Current Biennium	1.9%	1.6%	6.6%	6.2%

ABS024 Recommendation Summary
Department of Ecology
S1 - Supplemental 2024
Dollars in Thousands

ML 8L Lease Adjustments

This request supports a maintenance level lease increase for the Department of Ecology's Richland Field Office in Benton County. This lease increase was negotiated by Department of Enterprise Services Real Estate Services on behalf of Ecology. The work done at this facility benefits the U.S Department of Energy, public, other state agencies, Tribes, local partners, and helps protect, preserve, and enhance Washington's environment for current and future generations. (Radioactive Mixed Waste Account, General Fund-Federal)

ML MA Compensation for New 2023-25 FTEs

State agencies received funding in the 2023-25 operating budget for the collective bargaining agreement general wage increases and targeted job class increases. Funding was based on the available Compensation Impact Model projections from staffing data provided by agencies in May 2022. For Ecology, this data did not reflect the significant changes to staffing levels in the 2023-25 operating budget. Ecology is requesting a maintenance level adjustment to fully fund the general wage increases and targeted job class increases for the new Policy Level FTEs included in the 2023-25 operating budget. (Multiple Funds)

ML MB Fire Protection & Emergency Service

Ecology's Headquarters building is served by Lacey Fire District #3, which is authorized under state law to charge government agencies within their geographical boundaries for fire protection, fire prevention, rescue, and emergency medical services. Since 2014, Ecology has had an interlocal agreement with the Fire District to provide fire protection and emergency services. Under this agreement, costs are adjusted annually, based on the Thurston County Assessor's Office assessed value for Ecology's Lacey property. Ecology is requesting a maintenance level increase in appropriation authority to cover the increased costs of this agreement, and ensure that our staff and customers can continue to receive emergency medical and fire protection services when needed. (Multiple Funds)

ML MC Property Insurance Cost Increases

As required by state law, Ecology maintains property insurance through the Department of Enterprise Services' Alliant Property Insurance Program for all its state-owned buildings, as well as the contents located within both its owned and leased buildings. These insurance costs are adjusted annually, and are greatly impacted by the stability of commercial property markets. Due to the reduced demand for commercial property because of the COVID-19 pandemic, these costs have significantly increased in recent years. Ecology is requesting a maintenance level increase in appropriation authority to cover the increased costs of the insurance and ensure that the state's assets are protected. (Multiple Funds)

PL PA Certifying Financial Responsibility

Chapter 88.40 RCW requires certain vessels and facilities transporting, storing, handling, or transferring oil and hazardous substances in Washington to demonstrate financial responsibility for the costs of a spill. Ecology received funding in the 2022 supplemental operating budget to respond to a 2021-23 proviso and adopt rules to implement the provisions under RCW 88.40.025 for oil handling facilities. That rulemaking is scheduled to be completed in spring 2024, and Ecology is now requesting funding to establish a Certificate of Financial Responsibility program to ensure compliance with the adopted rules and Chapter 88.40 RCW for both vessels and facilities. Related to Puget Sound Action Agenda Implementation. (Oil Spill Prevention Account)

PL PB NEP Stormwater Strategic Initiative

ABS024 Recommendation Summary

Department of Ecology

S1 - Supplemental 2024

Dollars in Thousands

Since 2010, the U.S. Environmental Protection Agency has provided funding through the National Estuary Program (NEP) to support Puget Sound protection and recovery. These funds are currently provided through one of three initiatives designed to tackle multiple issues critical to Puget Sound recovery. Ecology serves as the state's lead for the Stormwater Strategic Initiative, which uses NEP funds to support critical research, monitoring, modeling, and innovative projects to address stormwater pollution and support recovery efforts. Since 2016, annual NEP awards supporting the initiative have continued to increase. Ecology is requesting the additional federal spending authority needed to leverage the increases in NEP funding available, and continue to support a diverse set of projects that help protect and restore Puget Sound. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (General Fund-Federal)

PL PC Hanford Dangerous Waste Permit

Ecology assumed responsibility for managing the Hanford dangerous waste permit from the U.S. Department of Energy in 2015. Since then, permit management and configuration control has continued to be extremely resource intensive due to the size and complexity of the permit. Despite added staffing capacity in 2017-19 and 2020, the remaining scope of work to both reissue and manage the permit still exceeds current staffing capacity. The next version of this permit is scheduled for its public comment period in 2024, and additional staff are needed to ensure reissuance of the permit by September 2026, as required by our current Performance Partnership Agreement with the U.S. Environmental Protection Agency. This request will provide the additional staff needed to support the reissuance and ongoing management of the permit, along with new work coming to Ecology in 2024 related to the Perma-Fix Northwest dangerous waste permit and Hanford air operating permit. (Radioactive Mixed Waste Account, General Fund-Federal, Air Operating Permit Account)

PL PD WCC Service Equity & EJ Initiative

Washington Conservation Corps (WCC) collaborates with organizations to complete environmental stewardship projects statewide. WCC's cost-share requires partners to fund 75 percent of crew costs, and WCC funds the remaining 25 percent with state appropriations and an AmeriCorps grant. While this cost-share is the best approach for funding the core program in a marketplace of similar programs, it presents barriers for organizations in under-resourced areas. The 2022 supplemental operating budget funded a two-year pilot to provide five crews with no partner-provided cost-share to further the state's goals around service equity and environmental justice. To continue these efforts, Ecology requests ongoing funding to build on the success of the pilot, and continue providing these crews at no partner-provided cost-share for projects in areas of the state where assistance is most needed. (Model Toxics Control Operating Account)

PL PE Modernize Surface Water Mapping

Surface waters and their connected riparian zones are critical in supporting water quality and the health and diversity of aquatic and terrestrial species throughout Washington. Understanding the location of the state's surface water is needed for assessing, monitoring, and protecting these ecosystems, while improving climate resiliency at statewide, watershed, and local scales. In 2022, Ecology was funded to conduct a pilot project to identify the technologies, methodologies, datasets, and resources needed to refine and maintain the accuracy of the National Hydrography Dataset for Washington. Building on the success of that work, Ecology is now requesting funding to complete mapped surface water updates across the state, and continue to improve the accuracy of the dataset on an ongoing basis, as new information and technologies become available. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update and is related to Puget Sound Action Agenda Implementation. (Natural Climate Solutions Account)

ABS024 Recommendation Summary
Department of Ecology
S1 - Supplemental 2024
Dollars in Thousands

PL PF Fix and Modernize WQ Permit Systems

Managing wastewater and stormwater is critical for protecting the health of surface and groundwater. Using a system of water quality permits, Ecology manages when, where, and how treated wastewater and stormwater enters the environment. In 2022, Ecology requested and received funding for a two-year project to make critical improvements to the usability and reporting accuracy of the state's water quality permitting systems. While work completed to date has resolved a number of the issues that had been identified, those efforts also revealed that the work required to update and effectively maintain these systems requires an ongoing effort. Therefore, Ecology is requesting funding for additional staffing resources needed to update and maintain these systems and ensure compliance with federal data reporting requirements on an ongoing basis. (Water Quality Permit Account)

PL PG Nutrient Credit Trading

The health of Puget Sound is significantly degraded by excess nutrients that cause low dissolved oxygen, disrupt the food chain, and harm our orca and salmon populations. To help address this issue, Ecology issued the Puget Sound Nutrient General Permit in 2021, and in 2022, the Legislature provided one-time funding to develop recommendations on how to establish a nutrient credit trading program that could lead to quicker and more efficient nutrient reductions. The report was completed in June 2023, and Ecology is now requesting funding to complete the near-term work identified in the report, which will better inform decision makers around a potential nutrient credit trading program. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (General Fund-State)

PL PH Fed Authority for BIL/IRA Grants

Passage of both the Bipartisan Infrastructure Law and Inflation Reduction Act have substantially increased the amount of federal funding being passed through to state, local, and Tribal governments across the country to address environmental and public health priorities, including water infrastructure improvements, legacy pollution cleanup, and tackling the climate crisis. As these funding opportunities have become available, Ecology, like other state agencies, Tribes, and local governments across Washington have applied for and been awarded funds to support environmental and public health work and projects being done across the state. Ecology is requesting the additional federal spending authority needed to leverage nine new funding opportunities that have been awarded or applied for, as of August 1, 2023. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (General Fund-Federal)

PL PI Protecting State Waters

On May 25, 2023, the United States' Supreme Court issued a decision in *Sackett v. EPA*, which significantly affects the scope of the Clean Water Act and reduces the types of water bodies, including most wetlands, that are federally protected. However, the state's Water Pollution Control Act (Chapter 90.48. RCW) still provides protection for all Washington wetlands and waters. Prior to the change in the Waters of the United States definition, the U.S. Army Corps of Engineers issued permits for projects that could impact these waters. But now that federal permits are no longer available for certain waters, the state will have to provide authorization, via administrative orders or an eventual permit before such projects can proceed legally. This will result in a significant new workload for the state, and Ecology is requesting funding for additional staff to address the increase in state authorizations that will be needed. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (Model Toxics Control Operating Account)

PL PJ Cannabis Lab Accreditation

RCW 69.50.348 requires Ecology to begin accrediting the state's cannabis-testing laboratories July 1, 2024. However, Ecology's base funding from the Dedicated Cannabis Account was removed through a maintenance level reduction in the 2023-25 operating budget. This request provides funding needed for Ecology to establish and maintain an accreditation program to determine whether laboratories can produce accurate and defensible analytical data. (Dedicated Cannabis Account)

ABS024 Recommendation Summary
Department of Ecology
S1 - Supplemental 2024
Dollars in Thousands

PL PK Climate Pollution Reduction

As the climate changes and temperatures climb, Washington faces serious impacts to its snowpack, infrastructure, and water supplies. Since 2019, the Legislature has tasked Ecology with implementing a number of laws designed to: 1) help transition the state's economy from being based primarily on fossil fuels to having net zero emissions; 2) help to slow the causes of climate change; and 3) support communities already impacted by the effects of climate change. Together, these initiatives are putting Washington on a path toward achieving net-zero emissions statewide by 2050. However, through implementation of these laws to this point, it has become clear that additional resources are needed to ensure long-term success. This request supports additional staff and contract resources needed to ensure continued success and meet current workload demands. Related to Puget Sound Action Agenda Implementation. (Multiple Funds)

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Department of Ecology
2024 Supplemental Operating Budget
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Operating

9/13/2023 \$ in thousands - Biennialized FTEs

2023-25 Enacted Base Budget

Operating		2024 Supplemental Budget Request				
		9/13/2023				
		FTE	GF-State	MTCA ¹	Other	Total
9/13/2023 \$ in thousands - Biennialized FTEs						
2023-25 Enacted Base Budget		2,136.5	76,637	360,378	425,556	862,571
Maintenance Level Changes						
1	Compensation Changes for New 2023-25 FTEs		267	841	1,365	2,473
2	Property Insurance Cost Increases		112	442	268	822
3	Fire Protection and Emergency Service		12	52	34	98
4	Lease Adjustments				14	14
Policy Level Changes						
Reduce and Prepare for Climate Impacts						
5	Climate Pollution Reduction	10.4	409	42	3,112	3,563
Prevent and Reduce Toxic Threats and Pollution						
6	Cannabis Laboratory Accreditation	2.3			782	782
7	Certifying Financial Responsibility	1.8			588	588
8	Hanford Dangerous Waste Permit	1.2			380	380
Protect and Manage Our State's Waters						
9	Protecting State Waters	7.6		2,408		2,408
10	NEP Stormwater Strategic Initiative ²				10,000	10,000
11	Modernize Surface Water Mapping	1.8			3,307	3,307
12	Nutrient Credit Trading	0.6	410			410
13	Fix and Modernize WQ Permit Systems	1.8			591	591
Other						
14	Federal Authority For BIL/IRA Grants ²	12.6			27,128	27,128
15	WCC Service Equity & EJ Initiative			896		896
Total Changes		39.9	1,210	4,681	47,569	53,460
Total Operating Budget		2,176.3	77,847	365,059	473,125	916,031

Notes:

¹ Model Toxics Control Operating Account (23P-1, 23P-7). Model Toxics Control Stormwater Account (23R-1)

² General Fund-Federal appropriation to support increased federal funding applied for and/or received by Ecology, including through the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA).

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Dollars in Thousands

ABS031 Agency DP Priority (PL)
(List only the program Policy Level budget decision packages, in priority order)
461 - Department of Ecology
2024 First Supplemental Budget Session
S1 - Supplemental 2024

PL-PI	Protecting State Waters
PL-PK	Climate Pollution Reduction
PL-PH	Fed Authority for BIL/IRA Grants
PL-PB	NEP Stormwater Strategic Initiative
PL-PE	Modernize Surface Water Mapping
PL-PD	WCC Service Equity & EJ Initiative
PL-PG	Nutrient Credit Trading
PL-PJ	Cannabis Lab Accreditation
PL-PA	Certifying Financial Responsibility
PL-PC	Hanford Dangerous Waste Permit
PL-PF	Fix and Modernize WQ Permit Systems

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All Policy Item Prioritized

Code	Title
461	Department of Ecology

			2023-25 Biennium				2025-27 Biennium			
			FY-24		FY-25		FY-26		FY-27	
DP Code	DP Title	NGFS	Other	Total	NGFS	Other	Total	NGFS	Other	Total
PI	Protecting State Waters			2,408,000			2,408,000			2,408,000
PK	Climate Pollution Reduction			3,563,000	409,000		3,972,000	209,000		4,181,000
PPH	Fed Authority for BIL/JRA		13,539,000	13,539,000			13,539,000			13,539,000
PB	NEP Stormwater Strategic Initiative		5,000,000	5,000,000			5,000,000			5,000,000
PE	Modernize Surface Water Mapping			3,307,000			3,307,000			3,307,000
PD	WCC Service Equity & EJ Initiative			896,000			896,000			896,000
PG	Nutrient Credit Trading			410,000			410,000	410,000		820,000
PJ	Cannabis Lab Accreditation			782,000			782,000			782,000
PA	Certifying Financial Responsibility			588,000			588,000			588,000
PC	Hanford Dangerous Waste Permit			380,000			380,000			380,000
PPE	Fix and Modernize WQ Permit Systems			591,000			591,000			591,000
		0	18,539,000	18,539,000	819,000	30,695,000	31,514,000	619,000	39,382,000	37,853,000

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Department of Ecology
2024 Supplemental Operating Budget
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Department of Ecology
2023-25 First Supplemental Budget Session
Maintenance Level - MA - Compensation for New 2023-25 FTEs

Agency Recommendation Summary

State agencies received funding in the 2023-25 operating budget for the collective bargaining agreement general wage increases and targeted job class increases. Funding was based on the available Compensation Impact Model projections from staffing data provided by agencies in May 2022. For Ecology, this data did not reflect the significant changes to staffing levels in the 2023-25 operating budget. Ecology is requesting a maintenance level adjustment to fully fund the general wage increases and targeted job class increases for the new Policy Level FTEs included in the 2023-25 operating budget. (Multiple Funds)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Operating Expenditures						
Fund 001 - 1	\$0	\$267	\$267	\$296	\$296	\$592
Fund 001 - 2	\$0	\$12	\$12	\$0	\$0	\$0
Fund 05W - 1	\$0	\$15	\$15	\$0	\$0	\$0
Fund 176 - 1	\$0	\$363	\$363	\$346	\$346	\$692
Fund 207 - 1	\$0	\$13	\$13	\$13	\$13	\$26
Fund 217 - 1	\$0	\$5	\$5	\$5	\$5	\$10
Fund 219 - 1	\$0	\$1	\$1	\$1	\$1	\$2
Fund 21H - 1	\$0	\$4	\$4	\$4	\$4	\$8
Fund 23P - 1	\$0	\$841	\$841	\$629	\$629	\$1,258
Fund 25Q - 1	\$0	\$50	\$50	\$37	\$34	\$71
Fund 25T - 1	\$0	\$229	\$229	\$207	\$197	\$404
Fund 26B - 1	\$0	\$208	\$208	\$212	\$215	\$427
Fund 26C - 1	\$0	\$295	\$295	\$252	\$230	\$482
Fund 26D - 1	\$0	\$90	\$90	\$87	\$87	\$174
Fund 564 - 1	\$0	\$80	\$80	\$80	\$80	\$160
Total Expenditures	\$0	\$2,473	\$2,473	\$2,169	\$2,137	\$4,306
Revenue						
001 - 0366	\$0	\$12	\$12	\$0	\$0	\$0
Total Revenue	\$0	\$12	\$12	\$0	\$0	\$0

Decision Package Description

The collective bargaining agreement with the Washington Federation of State Employees (WFSE) for the 2023-25 biennium includes a four percent general wage increase effective July 1, 2023 and a three percent increase effective July 1, 2024. The bargaining agreement also includes wage increases for targeted job classes. Ecology and other state agencies received funding in the 2023-25 operating budget for represented and non-represented employees based on the available Compensation Impact Model (CIM) projections from staffing data provided by agencies in May 2022. This was intended as an estimate of staffing levels at 2023-25 Maintenance Level (ML).

Since the staffing data used for the funding provided in the 2023-25 operating budget was based on an estimate of 2023-25 ML, it did not reflect the significant changes to Ecology's staffing levels in 2023-25 Policy Level (PL). In 2023-25 PL, Ecology received appropriations for 235 new FTEs in the 2023-25 biennium, including significant new additions for clean energy permitting, municipal wastewater permitting, industrial discharge permitting, coastal hazards assistance, addressing nonpoint pollution, and many other new and expanded initiatives.

This request will fully fund the 2023-25 general wage increases and targeted job class increases based on the fiscal impact of these increases for the new FTEs added at PL in the 2023-25 operating budget.

Impacts on Population Served:

This request will help maintain the current level of environmental services provided by Ecology by fully funding the general wage increases and targeted job class increases rather than diverting funding from other environmental and public health work.

Alternatives Explored:

The only alternative to fund this cost increase would be to redirect existing resources from core environmental and public health work. This is not a viable option for Ecology.

Consequences of Not Funding This Request:

If Ecology does not receive appropriations for these cost increases, core environmental and public health work would be reduced to absorb these costs, which would negatively impact other priority work at Ecology.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This is not an expansion or alteration of a current program or service. This request will help maintain the current level of environmental services provided by Ecology.

Detailed Assumptions and Calculations:

Ecology requires full funding, beginning in fiscal year 2025, for the 2023-25 general wage increases and targeted job class increases based on the fiscal impact of these increases for the new FTEs added at PL in the 2023-25 operating budget.

Fiscal impacts for fiscal year 2024 are not requested since it will take time early in the 2023-25 biennium for the agency to fill all of the new FTEs, and a large portion of costs will be incurred before the 2024 supplemental is enacted.

Fiscal impacts were calculated using the FTEs and job classes previously identified and submitted by Ecology in Decision Packages and fiscal notes for each PL item funded in the 2023-25 operating budget.

Targeted Job Class Increases

Job Classes with targeted increases impacted by the PL items funded in the 2023-25 operating budget include: Chemist 3 and 4; Economic Analyst 3; Environmental Engineer 5 and 6; Environmental Specialist 3, 4, and 5; Human Resource Consultant 2, 3, and 4; and Natural Resource Scientist 4. Salaries are calculated based on the percentage increase as a result of the number of ranges increased for impacted job classes. Benefits are calculated based on the same percentage applied to benefits that change with salaries, which does not include medical or health benefits.

General Wage Increases

Salaries are calculated based on the four percent general wage increase effective July 1, 2023 and three percent increase effective July 1, 2024. Benefits are calculated based on the same percentage applied to benefits that change with salaries, which does not include medical or health benefits.

Total = \$2,473,000 in fiscal year 2025 (carries forward to \$4,306,000 in the 2025-27 biennium)

See Attachment A for fiscal impacts by 2023-25 PL operating budget item.

See Attachment B for fiscal impacts by job classification.

Revenue for General Fund-Federal is adjusted to align with the change in expenditures.

Workforce Assumptions:

Expenditures by Object			<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages			2,096,000	1,842,000	1,815,000	1,819,000	1,817,000
B	Employee Benefits			377,000	327,000	322,000	324,000	323,000
	Total Objects		0	2,473,000	2,169,000	2,137,000	2,143,000	2,140,000
Staffing								
Job Class		Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	Total FTEs		0.00	0.00	0.00	0.00	0.00	0.00

Explanation of costs by object:

Salaries and benefits are based on the projected fiscal impacts of the general wage increases (four percent effective July 1, 2023 and three percent effective July 1, 2024) and targeted job class increases calculated for the new PL FTEs added in the 2023-25 operating budget.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving all of Ecology’s goals by adjusting the funding necessary to fully fund employee wages across the agency. This request is also essential to achieving the Governor’s Results Washington Goal 3 Sustainable Energy and a Clean Environment by fully funding employee salaries to maintain the current level of the agency’s environmental and public health services.

Performance Outcomes:

The outcome(s) of this request will be sufficient funding for staff to continue the current level of Ecology's environmental and public health work.

Equity Impacts

Community outreach and engagement:

N/A

Disproportional Impact Considerations:

N/A

Target Populations or Communities:

N/A

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

This request is to fully fund the WFSE collective bargaining agreement general wage increases and targeted job class increases based on the fiscal impact of these increases for the new FTEs added at PL in the 2023-25 operating budget.

Intergovernmental:

N/A

Stakeholder Response:

N/A

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

Not applicable – this is a technical ML budget request.

Reference Documents

[Compensation for New 2023-25 FTEs-Attachment A.xlsx](#)

[Compensation for New 2023-25 FTEs-Attachment B.xlsx](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$2,096	\$2,096	\$1,842	\$1,815	\$3,657
Obj. B	\$0	\$377	\$377	\$327	\$322	\$649

Agency Contact Information

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Attachment A: Fiscal Impacts of General Wage & Targeted Job Class Increases by 2023-25 PL Budget Item

Purpose: Provide fiscal impacts of 2023-25 biennium targeted and general wage increases by 2023-25 PL Budget item. FTEs below are consistent with WinSum outlook for the enacted budget, final fiscal notes, and/or decision packages.

August 2023

		FTEs							Fiscal Impact of Compensation Adjustments				
		FTEs FY 2024	FTEs FY 2025	FTEs FY 2026	FTEs FY 2027	FTEs FY 2028	FTEs FY 2029	FY 2024 (Excluded)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
2023-25 PL FTE Changes	Account												
5104 Marine Shoreline Habitat	001-1	3.5	3.5	3.5	3.5	3.5	3.5	3.5	23,515	23,058	23,058	23,058	23,058
5144 Batteries/Environment	23P-1	3.3	4.1						38,078	-	-	-	-
5369 Polychlorinated Biphenyls	23P-1	0.4							-	-	-	-	-
5447 Alternative Jet Fuel	25Q-1	4.3	4.5	3.8	3.8	3.7	3.7	3.7	65,160	54,657	54,657	54,339	54,339
AC01 Air Operating Permit	219-1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1,723	1,696	1,696	1,696	1,696
AF Illegal Drug Hazardous Waste	23P-1	8.7	8.7	8.7	8.7	8.7	8.7	8.7	123,835	122,675	122,675	122,675	122,675
AI Hazardous Waste & Toxics IT Systems	23P-1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	10,115	9,963	9,963	9,963	9,963
AK Address Toxic Tire Wear Chemical	23P-1	5.8	5.8						51,939	-	-	-	-
CO31 Tribal Participation Grants for CCA	26B-1	0.8	0.8	0.8	0.8	0.8	0.8	0.8	7,614	7,507	7,507	7,507	7,507
CEET CCA Expenditure Tracking	26B-1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	17,071	16,766	16,766	16,766	16,766
CEP Clean Energy Permitting	26C-1	26.5	26.5	20.7	20.7	20.7	20.7	20.7	245,266	226,350	231,229	230,113	230,568
CPC1 Local Government Climate Planning	26C-1	3.9	4.2	4.2	1.7	1.7	1.7	1.7	34,856	35,130	12,454	12,454	12,454
CPPU Compostable Product Usage	23P-1	0.6	0.2	-	-	-	-	-	1,494	-	-	-	-
CRS1 Climate Change Response Strategy	26D-1	1.6	0.7	0.2	0.1	1.7	0.5	0.5	5,148	1,765	883	12,674	3,291
CSPC Cosmetic Product Chemicals	23P-1	2.8	2.1	4.1	5.8	5.8	5.8	5.8	18,486	42,810	61,125	61,125	61,125
CZM IJIA Investment Coastal Zone Mgmt	001-2	1.0	1.0						7,876	-	-	-	-
FLGA Fluorinated Gases	25T-1	5.7	20.8	17.6	15.3	15.3	15.3	15.3	226,271	203,014	190,452	190,452	190,452
LCF Clean Transportation Fuel Standards	25Q-1	(3.5)	(3.0)	(3.5)	(3.0)	(3.5)	(3.0)	(3.0)	(20,280)	(23,745)	(19,883)	(23,745)	(19,883)
NBF Reduce Nooksack Basin Flooding	26D-1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	9,571	9,419	9,419	9,419	9,419
PA Addressing Nonpoint Pollution	23P-1	10.4	10.4	10.4	10.4	10.4	10.4	10.4	117,978	116,605	116,605	116,605	116,605
PB01 Padilla Bay Reserve	23P-1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	20,727	20,422	20,422	20,422	20,422
PBI IJIA Investment in Padilla Bay	001-2	1.3	1.3						7,109	-	-	-	-
PC Contaminated Sites Redevelopment	23P-1	5.8	5.8	5.8	5.8	5.8	5.8	5.8	65,501	64,738	64,738	64,738	64,738
PE01 Turboplant System Upgrade	207-1	1.7	1.7	1.7	1.7	1.2	1.2	1.2	14,962	14,733	14,733	9,963	9,963
PH WQ Grant & Loan Administration	23P-1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	32,804	32,499	32,499	32,499	32,499
564-1		6.3	6.3	6.3	6.3	6.3	6.3	6.3	86,540	85,701	85,701	85,701	85,701
PI Washington Fuel Reporting System	25Q-1	0.8	0.8	0.8					7,715	7,608	-	-	-
PJ Laboratory Accreditation Auditors	23P-1	5.8	5.8						63,856	-	-	-	-
PK Wetland Mitigation Bank Oversight	23P-1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	32,179	31,874	31,874	31,874	31,874
PL Cultural Resources for Cleanup	23P-1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	17,583	17,278	17,278	17,278	17,278
PLPL Plastic Pollution	23P-1	0.9	0.3	1.7	0.4	0.2	0.1	0.1	4,022	19,060	4,461	2,072	1,274
PMI Municipal Wastewater Permitting	176-1	17.3	17.3	17.3	17.3	17.3	17.3	17.3	161,794	159,505	159,505	159,505	159,505
PN Industrial Discharge Permitting	176-1	18.4	18.4	18.4	18.4	18.4	18.4	18.4	177,285	174,842	174,842	174,842	174,842
PP Vessel and Oil Transfer Inspectors	217-1	0.7	0.7	0.7	0.7	0.7	0.7	0.7	6,162	6,070	6,070	6,070	6,070
23P-1		1.6	1.6	1.6	1.6	1.6	1.6	1.6	14,377	14,164	14,164	14,164	14,164
PR GHG Inventory Development	26B-1	4.6	4.6	4.6	4.6	4.6	4.6	4.6	60,624	60,013	60,013	60,013	60,013
PS Tug Escort Environmental Assessment	23P-1	1.2	1.2	1.2	0.6				9,422	4,635	-	-	-
PT River Migration Mapping for Salmon	001-1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	9,367	9,215	9,215	9,215	9,215
PTST Petroleum Storage Tanks	182-1	0.3							-	-	-	-	-
PU01 Whatcom Groundwater Monitoring	23P-1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	17,286	16,981	16,981	16,981	16,981
PW Toxic Tire Wear in Stormwater	23P-1	8.6	8.1						70,987	-	-	-	-
PX Nooksack Adjudication	001-1	6.3	9.8	9.8	9.8	9.8	9.8	9.8	126,882	125,584	125,584	125,584	125,584
PY Lake Roosevelt Adjudication	001-1	1.7	6.3	9.8	9.8	9.8	9.8	9.8	78,613	125,584	125,584	125,584	125,584
PZ WQ Fee and Loan Tracking Systems	176-1	0.6	0.6	0.6	0.6	0.6	0.6	0.6	4,847	4,770	4,770	4,770	4,770
21H-1		0.6	0.6	0.6	0.6	0.6	0.6	0.6	4,847	4,770	4,770	4,770	4,770
QA01 Coastal Hazards Assistance	26D-1	10.6	10.6	10.6	10.6	10.6	10.6	10.6	89,210	87,806	87,806	87,806	87,806

Attachment A: Fiscal Impacts of General Wage & Targeted Job Class Increases by 2023-25 PL Budget Item

Purpose: Provide fiscal impacts of 2023-25 biennium targeted and general wage increases by 2023-25 PL Budget item. FTEs below are consistent with WinSum outlook for the enacted budget, final fiscal notes, and/or decision packages.

August 2023

		FTEs						Fiscal Impact of Compensation Adjustments					
	Account	FTEs FY 2024	FTEs FY 2025	FTEs FY 2026	FTEs FY 2027	FTEs FY 2028	FTEs FY 2029	FY 2024 (Excluded)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
2023-25 PL FTE Changes													
QB Implement Climate Commitment Act	26B-1	6.3	6.3	6.3	6.3	6.3	6.3		55,147	54,308	54,308	54,308	54,308
QC Assist Overburdened Communities	26B-1	8.3	8.3	9.3	9.7	10.6	10.9		66,939	74,685	78,323	84,678	87,742
QD EAGL Modernization	001-1	2.2	1.0						12,341	-	-	-	-
	176-1	2.1	1.0						12,329	-	-	-	-
	23P-1	5.4	2.7						31,802	-	-	-	-
QE01 HFC Compliance	23P-1	1.2	1.2	1.2	1.2	1.2	1.2		14,059	13,907	13,907	13,907	13,907
QG Enterprise Content Management	001-1	1.4	1.4	1.4	1.4	1.4	1.4		11,286	11,103	11,103	11,103	11,103
	176-1	1.4	1.4	1.4	1.4	1.4	1.4		11,286	11,103	11,103	11,103	11,103
	23P-1	4.1	4.1	4.1	4.1	4.1	4.1		33,859	33,310	33,310	33,310	33,310
QH Drought Preparedness and Response	05W-1	2.3	2.3						17,663	-	-	-	-
STR Brownfields Response Grants	23P-1	3.5	3.5	3.5	3.5	3.5	3.5		32,218	31,761	31,761	31,761	31,761
WLFS Wildland Fire Safety	23P-1	0.6	0.6	0.6	0.6	0.6	0.6		3,801	3,724	3,724	3,724	3,724
Total		227.0	243.2	206.5	201.5	202.7	202.2		2,473,147	2,169,423	2,137,155	2,142,846	2,140,046
									2,473,000	2,169,000	2,137,000	2,143,000	2,140,000

Attachment B: Fiscal Impacts of General Wage & Targeted Job Class Increases by Job Class

Purpose: Provide fiscal impacts of 2023-25 biennium targeted and general wage increases by account by job class. FTEs below are consistent with WinSum outlook for the enacted budget, final fiscal notes, and/or decision packages.

Job Classes below that had targeted increases include:

Chemist 3 and 4; Economic Analyst 3; Environmental Engineer 5 and 6; Environmental Specialist 3, 4, and 5; Human Resource Consultant 2, 3, and 4; and Natural Resource Scientist 4.

August 2023

Job Class	FTEs						Fiscal Impact of Compensation Adjustments					
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2024 (Excluded)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
ADMINISTRATIVE ASSISTANT 3	1.5	1.5	1.5	1.5	1.5	1.5	-	6,375	6,375	6,375	6,375	6,375
ADMINISTRATIVE INTERN 2			1.0	1.0	1.0	1.0	-	-	3,508	3,508	3,508	3,508
CHEMIST 3	2.5	2.5	0.5	0.5	0.5	0.5	-	29,642	5,928	5,928	5,928	5,928
CHEMIST 4	4.5	4.0	1.0	2.0	2.0	2.0	-	55,004	13,751	27,502	27,502	27,502
COMM OUTRCH & ENVIRO ED SPEC 2	0.1	0.1	0.1	0.1	0.1	0.1	-	493	493	493	493	493
COMM OUTRCH & ENVIRO ED SPEC 3	2.7	4.4	2.1	-	0.4	0.2	-	21,887	10,554	-	2,390	266
COMM OUTRCH & ENVIRO ED SPEC 4	0.2	0.2	0.2	0.2	0.2	0.2	-	1,192	1,192	1,192	1,192	1,192
COMMUNICATIONS CONSULTANT 1	0.5	0.5	0.5	0.5	0.5	0.5	-	2,023	2,023	2,023	2,023	2,023
COMMUNICATIONS CONSULTANT 3	2.7	2.5	1.1	1.0	1.0	1.1	-	13,950	5,915	5,580	5,580	6,138
COMMUNICATIONS CONSULTANT 4	2.5	2.5	2.5	2.5	2.5	2.5	-	15,780	15,780	15,780	15,780	15,780
COMMUNICATIONS CONSULTANT 5	0.1	0.4	0.3	-	-	-	-	2,563	2,197	-	-	-
ECONOMIC ANALYST 3	0.5	0.7	0.5	0.2	-	0.2	-	7,828	6,080	2,432	-	2,432
ENGINEERING TECHNICIAN 3	1.0	1.0	1.0	1.0	1.0	1.0	-	5,860	5,860	5,860	5,860	5,860
ENVIRONMENTAL ENGINEER 3	19.7	19.7	19.2	19.5	20.6	20.6	-	162,995	158,854	162,995	171,277	171,277
ENVIRONMENTAL ENGINEER 5	4.9	4.9	4.9	4.9	4.9	4.9	-	60,559	60,559	60,559	60,559	60,559
ENVIRONMENTAL ENGINEER 6	0.5	0.3	0.1	0.1	0.1	0.1	-	3,711	1,585	1,585	1,585	1,585
ENVIRONMENTAL PLANNER 1	1.0	1.0	1.0	1.0	1.0	1.0	-	4,578	4,578	4,578	4,578	4,578
ENVIRONMENTAL PLANNER 3	6.6	7.2	2.8	3.2	2.7	3.2	-	48,868	18,974	22,268	18,974	22,268
ENVIRONMENTAL PLANNER 4	13.9	14.0	8.3	7.7	7.7	7.7	-	105,178	62,117	58,141	58,141	58,141
ENVIRONMENTAL PLANNER 5	14.0	13.3	9.1	8.3	9.2	8.4	-	110,549	75,610	69,397	76,438	70,640
ENVIRONMENTAL SPECIALIST 1	1.0	1.0	1.0	1.0	1.0	1.0	-	4,046	4,046	4,046	4,046	4,046
ENVIRONMENTAL SPECIALIST 2	4.1	4.2	3.4	3.4	3.4	3.4	-	19,991	16,378	16,378	16,378	16,378
ENVIRONMENTAL SPECIALIST 3	16.1	21.0	17.4	17.4	17.4	17.4	-	265,284	218,982	218,982	218,982	218,982
ENVIRONMENTAL SPECIALIST 4	37.4	45.2	49.0	48.0	48.0	48.0	-	666,335	722,429	712,808	710,293	709,552
ENVIRONMENTAL SPECIALIST 5	9.2	9.8	9.2	9.0	9.0	9.0	-	158,942	149,129	146,676	146,676	146,676
FISCAL ANALYST 4	1.0	1.0	1.0	1.0	1.0	1.0	-	6,009	6,009	6,009	6,009	6,009
FORMS & RECORDS ANALYST 2	1.0	1.0	1.0	1.0	1.0	1.0	-	4,462	4,462	4,462	4,462	4,462
HUMAN RESOURCE CONSULTANT 2	1.0	1.0	1.0	1.0	1.0	1.0	-	9,499	9,499	9,499	9,499	9,499
HUMAN RESOURCE CONSULTANT 3	1.5	1.5	0.5	0.5	0.5	0.5	-	22,202	7,400	7,400	7,400	7,400
HUMAN RESOURCE CONSULTANT 4	2.0	2.0	2.0	2.0	2.0	2.0	-	32,708	32,708	32,708	32,708	32,708
HYDROGEOLOGIST 2	1.0	1.0	1.0	1.0	1.0	1.0	-	6,629	6,629	6,629	6,629	6,629
HYDROGEOLOGIST 3	1.0	1.0	1.0	1.0	1.0	1.0	-	7,322	7,322	7,322	7,322	7,322
HYDROGEOLOGIST 4	3.5	4.0	4.0	4.0	4.0	4.0	-	32,312	32,312	32,312	32,312	32,312
IT APP DEVELOPMENT-JOURNEY	6.2	6.2	5.9	5.5	5.5	5.5	-	52,118	49,177	46,235	46,235	46,235
IT APP DEVELOPMENT-MANAGER	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	-	(1,039)	(1,039)	(1,039)	(1,039)	(1,039)
IT APP DEVELOPMENT-SR/SPECIALIST	(0.8)	(0.9)	(1.0)	(1.7)	(1.7)	(1.7)	-	(8,237)	(9,211)	(16,023)	(16,023)	(16,023)
IT BUSINESS ANALYST - JOURNEY	2.0	2.0	2.0	2.0	2.0	2.0	-	16,808	16,808	16,808	16,808	16,808
IT BUSINESS ANALYST - SR/SPEC	1.0	1.0	1.0	1.0	1.0	1.0	-	9,268	9,268	9,268	9,268	9,268
IT BUSINESS ANALYST-JOURNEY	2.5	2.5	2.7	2.5	2.0	2.0	-	21,011	22,692	21,011	16,809	16,809

Attachment B: Fiscal Impacts of General Wage & Targeted Job Class Increases by Job Class

Purpose: Provide fiscal impacts of 2023-25 biennium targeted and general wage increases by account by job class. FTEs below are consistent with WinSum outlook for the enacted budget, final fiscal notes, and/or decision packages.

Job Classes below that had targeted increases include:

Chemist 3 and 4; Economic Analyst 3; Environmental Engineer 5 and 6; Environmental Specialist 3, 4, and 5; Human Resource Consultant 2, 3, and 4; and Natural Resource Scientist 4.

August 2023

	FTEs						Fiscal Impact of Compensation Adjustments					
	FTEs FY 2024	FTEs FY 2025	FTEs FY 2026	FTEs FY 2027	FTEs FY 2028	FTEs FY 2029	FY 2024 (Excluded)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Job Class												
IT CUSTOMER SUPPORT - ENTRY	2.0	2.0	2.0	2.0	2.0	2.0	-	12,591	12,591	12,591	12,591	12,591
IT DATA MANAGEMENT-JOURNEY	2.3	2.3	2.0	2.0	2.0	2.0	-	19,859	17,652	17,652	17,652	17,652
IT POLICY PLANNING - SR/SPEC	1.0	1.0	1.0	1.0	1.0	1.0	-	9,731	9,731	9,731	9,731	9,731
IT PROJECT MANAGEMENT-JOURNEY	1.0	1.0	1.0	1.0	1.0	1.0	-	8,826	8,826	8,826	8,826	8,826
IT SECURITY - JOURNEY	1.0	1.0	1.0	1.0	1.0	1.0	-	8,404	8,404	8,404	8,404	8,404
IT SYSTEM ADMINISTRATION-JOURNEY	0.2	0.2					-	1,148	-	-	-	-
KING CO - ENVIRONMENTAL ENGINEER 3	3.0	3.0	3.0	3.0	3.0	3.0	-	26,940	26,940	26,940	26,940	26,940
KING CO - ENVIRONMENTAL PLANNER 4	1.0	1.0	0.5				-	8,133	4,067	-	-	-
KING CO - ENVIRONMENTAL SPECIALIST 4	2.5	2.5	2.5	2.5	2.5	2.5	-	40,116	40,116	40,116	40,116	40,116
KING CO - MARINE TRAN SAFETY SPEC 3	2.0	2.0	2.0	2.0	2.0	2.0	-	17,960	17,960	17,960	17,960	17,960
KING CO - WMS BAND 1	1.0	1.0	1.0	1.0	1.0	1.0	-	8,989	8,989	8,989	8,989	8,989
MANAGEMENT ANALYST 3	6.0	7.0	4.0	4.0	4.0	4.0	-	42,063	24,036	24,036	24,036	24,036
MANAGEMENT ANALYST 4	2.0	2.0	2.0	2.0	2.0	2.0	-	13,930	13,930	13,930	13,930	13,930
MANAGEMENT ANALYST 5	5.1	5.5	3.2	3.1	3.2	3.1	-	40,758	24,609	23,840	24,609	23,840
MICROBIOLOGIST 4	2.0	2.0					-	16,156	-	-	-	-
NATURAL RESOURCE SCIENTIST 2	3.0	3.0	2.5	3.0	3.0	3.0	-	17,157	14,298	17,157	17,157	17,157
NATURAL RESOURCE SCIENTIST 3	5.4	5.4	5.4	5.4	5.4	5.4	-	37,612	37,612	37,612	37,612	37,612
NATURAL RESOURCE SCIENTIST 4	4.5	4.5	3.5	3.5	3.5	3.5	-	71,055	55,265	55,265	55,265	55,265
PARK AIDE	1.0	1.0	1.0	1.0	1.0	1.0	-	3,348	3,348	3,348	3,348	3,348
REGULATORY ANALYST 2	0.2	0.2	0.2	0.1	-	0.1	-	1,381	1,393	348	-	348
REGULATORY ANALYST 3	0.7	0.4	-	-	-	-	-	2,760	-	-	-	-
SAFETY OFFICER 3	2.0	2.0	2.0	2.0	2.0	2.0	-	12,310	12,310	12,310	12,310	12,310
TOXICOLOGIST 1	1.0	1.0					-	6,802	-	-	-	-
WMS BAND 1	3.5	3.5	3.5	3.5	3.5	3.5	-	27,226	27,226	27,226	27,226	27,226
WMS BAND 2	3.7	3.7	3.7	3.7	3.7	3.7	-	33,187	33,187	33,187	33,187	33,187
Total	227.0	243.2	206.5	201.5	202.7	202.2	-	2,473,147	2,169,423	2,137,155	2,142,846	2,140,046
								2,473,000	2,169,000	2,137,000	2,143,000	2,140,000



Department of Ecology
2023-25 First Supplemental Budget Session
Maintenance Level - MC - Property Insurance Cost Increases

Agency Recommendation Summary

As required by state law, Ecology maintains property insurance through the Department of Enterprise Services' Alliant Property Insurance Program for all its state-owned buildings, as well as the contents located within both its owned and leased buildings. These insurance costs are adjusted annually, and are greatly impacted by the stability of commercial property markets. Due to the reduced demand for commercial property because of the COVID-19 pandemic, these costs have significantly increased in recent years. Ecology is requesting a maintenance level increase in appropriation authority to cover the increased costs of the insurance and ensure that the state's assets are protected. (Multiple Funds)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Operating Expenditures						
Fund 001 - 1	\$56	\$56	\$112	\$56	\$56	\$112
Fund 027 - 1	\$3	\$3	\$6	\$3	\$3	\$6
Fund 044 - 1	\$14	\$14	\$28	\$14	\$14	\$28
Fund 176 - 1	\$54	\$54	\$108	\$54	\$54	\$108
Fund 182 - 1	\$4	\$4	\$8	\$4	\$4	\$8
Fund 207 - 1	\$6	\$6	\$12	\$6	\$6	\$12
Fund 20R - 1	\$2	\$2	\$4	\$2	\$2	\$4
Fund 216 - 1	\$4	\$4	\$8	\$4	\$4	\$8
Fund 217 - 1	\$6	\$6	\$12	\$6	\$6	\$12
Fund 219 - 1	\$4	\$4	\$8	\$4	\$4	\$8
Fund 23P - 1	\$221	\$221	\$442	\$221	\$221	\$442
Fund 26B - 1	\$19	\$19	\$38	\$19	\$19	\$38
Fund 26C - 1	\$8	\$8	\$16	\$8	\$8	\$16
Fund 26D - 1	\$4	\$4	\$8	\$4	\$4	\$8
Fund 564 - 1	\$6	\$6	\$12	\$6	\$6	\$12
Total Expenditures	\$411	\$411	\$822	\$411	\$411	\$822
Revenue						
20R - 0294	\$2	\$2	\$4	\$2	\$2	\$4
Total Revenue	\$2	\$2	\$4	\$2	\$2	\$4

Decision Package Description

The Office of Risk Management within the Department of Enterprise Services (DES) implements the state's risk management policy under RCW 43.19.760, which directs state agencies to maintain property insurance on state owned buildings, as well as on the contents within both its owned and leased buildings. Ecology currently owns 12 buildings and leases another seven across the state. Since fiscal year 2014, DES has facilitated the procurement of property insurance through the Alliant Property Insurance Program (APIP). Prior to 2014 each building maintained a standalone insurance plan.

APIP covers the state's scheduled property, the State Route 520 Bridge, owned and rented equipment, and provides some cyber liability coverage. Insurance procured through APIP provides all risk coverage on a replacement value basis for direct physical damage, including from earthquakes and flooding. The fee structure for insurance provided through APIP is based on the total value of the building and contents and is annually adjusted based on the current insurance markets.

The cost of this property insurance has increased substantially in recent years, due to the volatility in commercial property and fluctuations in property values as a result of the COVID-19 pandemic. Property insurance markets have historically been stabilized by capital funding provided by investors. Investors depended on the stability of the commercial property markets to create a reliable return on their investments. Since the onset of the COVID-19 pandemic, the commercial property market has been volatile and there has been a significant lowering in the demand for commercial properties. Due to this, investors have chosen to reinvest in lower risk, higher yield investments, such as treasuries and bonds.

Property insurance markets now have less capital in reserve to fund claims and have had to substantially increase insurance rates. The changes to the property insurance markets are unlikely to reverse, as the expectation is that demand on commercial property will continue to decrease. The decreasing demand is due to increased teleworking and a reduction in the need for commercial office space.

Between 2014 and 2021, the cost of Ecology's property insurance averaged \$106,848 per year. However, these costs have risen steadily in recent years; from \$104,342 in 2019, to \$121,959 in 2020, to \$150,908 in 2021. During the 2021-23 biennium, these costs jumped to an average of \$308,049 per year, and, based on the amount just paid for fiscal year 2024 (*Attachment A*), the costs for the 2023-25 biennium are estimated to be \$547,406 per year. Ecology is requesting the additional appropriation authority needed to cover these unavoidable property

insurance cost increases, beginning this biennium.

Impacts on Population Served:

This request will help maintain the current level of property insurance at all of Ecology’s facilities.

Alternatives Explored:

The only alternative to fund this cost increase would be to redirect existing resources from core environmental and public health work done by Ecology. This is not a viable option for Ecology.

Consequences of Not Funding This Request:

If this request is not funded, core environmental and public health work done by Ecology would have to be cut to absorb these costs.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request provides funding to cover unavoidable cost increases for property insurance for all of Ecology’s facilities. It does not expand or alter a current program or activity.

Detailed Assumptions and Calculations:

The APIP property insurance, provided through DES, has been in place since 2014. The fee structure for this insurance is based on the total assessed value of Ecology buildings and property identified in OFM’s Facilities Portfolio Management Tool (FPM). The annual assessment cycle costs for the 2023-25 biennium are estimated to be \$547,406 each year and will be paid by September of each year.

Expenditure Calculations: Beginning in fiscal year 2024 and ongoing, Ecology requires \$410,972 per year, from multiple funding sources, to cover the increased costs for the property insurance provided by APIP. The requested annual increase is calculated as follows:

- \$547,406 per year (based on the invoiced cost for fiscal year 2024) - \$136,434 per year (base funding calculated based on the average annual cost in 2019-21) = \$410,972 per year increase starting in fiscal year 2024.

Note: While costs have increased steadily for a few years now, the largest jump was between fiscal years 2022 and 2023, but unfortunately, timing didn’t work out to get a request included in our 2021-23 budget submittal. Ecology was able to cover the cost increases in 2021-23 due to one-time vacancy savings that are not anticipated to be available in the 2023-25 biennium.

This is an ongoing cost, and the billing will be adjusted by DES’s APIP annually based on value of Ecology’s buildings and property. As needed, Ecology will submit maintenance level budget requests in future biennia to adjust for this cost.

Workforce Assumptions:

Expenditures by Object			<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
E	Goods and Services		410,972	410,972	410,972	410,972	410,972	410,972
	Total Objects		410,972	410,972	410,972	410,972	410,972	410,972
Staffing								
Job Class		Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	Total FTEs		0.00	0.00	0.00	0.00	0.00	0.00

Explanation of costs by object:

All costs are Goods and Services (Object E).

Strategic and Performance Outcomes

Strategic Framework:

This request helps ensure a safe and secure workplace for Ecology to conduct its work, and is essential to meeting each the goals in Ecology's strategic plan:

- Goal 1: Support and engage our communities, customers, and employees.
- Goal 2: Reduce and prepare for climate impacts.
- Goal 3: Prevent and reduce toxic threats and pollution.
- Goal 4: Protect and manage our state's waters.

This request is consistent with Ecology's Administrative Services Division goal to maintain agency facilities that support our staff's ability to meet current and future business needs.

This request also provides essential support to the following Governor's Results Washington goal: Efficient, Effective, & Accountable Government

Performance Outcomes:

The outcome of this request will ensure that the appropriate level of property insurance is provided to Ecology's facilities and that the state's assets are insured and protected.

Equity Impacts

Community outreach and engagement:

N/A

Disproportional Impact Considerations:

N/A

Target Populations or Communities:

N/A

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

N/A

Stakeholder Response:

N/A

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

Not applicable – this is a technical ML request.

Reference Documents

[Property Insurance Cost Increases-Attachment A.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. E	\$411	\$411	\$822	\$411	\$411	\$822

Agency Contact Information

Jim Pendowski
(360) 250-0471
jpen461@ecy.wa.gov

Attachment A

Washington State
Department of Enterprise Services
Risk Management
TIN 45-2096870

Invoice No.
84130382

Invoice Date: 08-08-2023 **Due Date:** 09-07-2023
For Period of: 07-01-2023 **To:** 06-30-2024
Customer/Account Number: 461 - 000
Reference Number: PPROP2324
PO Number:

Bill to:

ECOLOGY DEPT OF
ADMINISTRATION
PO BOX 47600
OLYMPIA WA 98504-7600

For Accounts

Receivable inquiries:

Jeff Wilhelm
phone: (360) 628-3418
fax: (360) 407-9171
email: jeffrey.wilhelm@des.wa.gov

Remit to:

Department of Enterprise Services
PO Box 84857
Seattle WA 98124-6157

For Customer Service inquiries:

Melynda Campbell
phone: (360) 407-8137
fax: None
email:
melynda.campbell@des.wa.gov

Payment Information:

Agency: 1790

Fund	SWW	Amount
546	0098117-37	\$547,405.76

Please Indicate Invoice/Credit Memo Numbers on Payment Document or Return Top Portion With Payment

Line #	Date	Item Description	Item Code	Reference Number	Units of Measure	Quantity	Unit Cost	Line Total Cost
1		APIP (Master Property)		10143351	YEAR	1.00	\$547,405.76	\$547,405.76
TOTAL							547,405.76	

INVOICE TOTAL: \$547,405.76

Comments:

2023-2024 Commercial Property APIP Package Renewal

Statements are on-line at <https://apps.des.wa.gov/ar/> . Hard copy statements are available upon request

CODE: ACDES EP-P020

APPROVAL: Allen Robbins (Approved via email)

DATE: 8/10/2023

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Department of Ecology
2023-25 First Supplemental Budget Session
Maintenance Level - MB - Fire Protection & Emergency Service

Agency Recommendation Summary

Ecology's Headquarters building is served by Lacey Fire District #3, which is authorized under state law to charge government agencies within their geographical boundaries for fire protection, fire prevention, rescue, and emergency medical services. Since 2014, Ecology has had an interlocal agreement with the Fire District to provide fire protection and emergency services. Under this agreement, costs are adjusted annually, based on the Thurston County Assessor's Office assessed value for Ecology's Lacey property. Ecology is requesting a maintenance level increase in appropriation authority to cover the increased costs of this agreement, and ensure that our staff and customers can continue to receive emergency medical and fire protection services when needed. (Multiple Funds)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Operating Expenditures						
Fund 001 - 1	\$6	\$6	\$12	\$6	\$6	\$12
Fund 044 - 1	\$2	\$2	\$4	\$2	\$2	\$4
Fund 176 - 1	\$6	\$6	\$12	\$6	\$6	\$12
Fund 182 - 1	\$1	\$1	\$2	\$1	\$1	\$2
Fund 207 - 1	\$1	\$1	\$2	\$1	\$1	\$2
Fund 217 - 1	\$1	\$1	\$2	\$1	\$1	\$2
Fund 219 - 1	\$1	\$1	\$2	\$1	\$1	\$2
Fund 23P - 1	\$26	\$26	\$52	\$26	\$26	\$52
Fund 26B - 1	\$2	\$2	\$4	\$2	\$2	\$4
Fund 26C - 1	\$1	\$1	\$2	\$1	\$1	\$2
Fund 26D - 1	\$1	\$1	\$2	\$1	\$1	\$2
Fund 564 - 1	\$1	\$1	\$2	\$1	\$1	\$2
Total Expenditures	\$49	\$49	\$98	\$49	\$49	\$98

Decision Package Description

RCW 52.30.020 authorizes Lacey Fire District #3 to charge government agencies within their geographical boundaries for fire protection, fire prevention, rescue, and emergency medical services. Ecology's largest facility in the city of Lacey is its headquarters (HQ) building, which houses our HQ and Southwest Regional Office staff. Ecology also leases space in the building to the Environmental Protection Agency's (EPA) Washington Operation and the Washington State Conservation Commission. The facility supports approximately 1,400 staff and serves a varying number of walk-in customers each day.

Since 2014, Ecology has had an interlocal agreement with Lacey Fire District #3 to provide these services. The fee structure for this agreement is based on the total assessed value of any Ecology-owned buildings and land identified by the Thurston County Assessor's Office. The fee is evaluated, and payment amount adjusted annually, based on the Thurston County Assessor's Office assessed value for Ecology's Lacey property.

In the 2014 supplemental operating budget, Ecology received \$303,000 to support these costs for the 2013-15 biennium. That amount was then adjusted at carryforward level for 2015-17 to \$248,000 per biennia ongoing. Between fiscal years 2015 and 2022, the cost for these services averaged \$129,542 per year.

However, based on the assessed value amount paid for calendar year 2023 (see attached invoice), the annual assessment cycle costs for the 2023-25 biennium are estimated to be \$172,603 each year, and will be paid in January 2024 and 2025. Ecology is requesting the additional appropriation authority needed to cover these unavoidable fire protection and emergency service cost increases, beginning this biennium.

Impacts on Population Served:

This request will help maintain the current level of fire protection and emergency services provided by Lacey Fire District #3 for Ecology's HQ building.

Alternatives Explored:

The only alternative to fund this cost increase would be to redirect existing resources from core environmental and public health work done by Ecology. This is not a viable option for Ecology.

Consequences of Not Funding This Request:

If this request is not funded, core environmental and public health work done by Ecology would have to be cut to absorb these costs.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request provides funding to cover unavoidable cost increases for fire protection and emergency services provided for Ecology's Lacey HQ building. It does not expand or alter a current program or activity.

Detailed Assumptions and Calculations:

The interlocal agreement between Ecology and Lacey Fire District #3 has been in place since 2014. The fee structure for this agreement is based on the total assessed value of Ecology buildings and land identified by the Thurston County Assessor's Office. The annual assessment cycle costs for the 2023-25 biennium are estimated to be \$172,603 each year and will be paid in January of each year.

Expenditure calculations: Beginning in fiscal year 2024 and ongoing, Ecology requires \$48,603 per year, from multiple funding sources, to cover the increased costs for the fire protection and emergency services provided by Lacey Fire District #3. The requested annual increase is calculated as follows:

- \$172,603 per year (based on the invoiced cost for calendar year 2023) - \$124,000 per year (base funding) = \$48,603 per year increase starting in fiscal year 2024.

This is an ongoing cost, and the billing will be adjusted by Lacey Fire District #3 annually based on the Thurston County Assessor's Office assessed value of Ecology's buildings and land. As needed, Ecology will submit maintenance level budget requests in future biennia to adjust for this cost.

Workforce Assumptions:

Expenditures by Object			<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
E	Goods and Services		48,603	48,603	48,603	48,603	48,603	48,603
	Total Objects		48,603	48,603	48,603	48,603	48,603	48,603
Staffing								
Job Class		Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	Total FTEs		0.00	0.00	0.00	0.00	0.00	0.00

Explanation of costs by object:

All costs are Goods and Services (Object E).

Strategic and Performance Outcomes

Strategic Framework:

This request helps ensure a safe and secure workplace for Ecology to conduct its work, and is essential to meeting each the goals in Ecology's strategic plan:

- Goal 1: Support and engage our communities, customers, and employees.
- Goal 2: Reduce and prepare for climate impacts.
- Goal 3: Prevent and reduce toxic threats and pollution.
- Goal 4: Protect and manage our state's waters.

This request is consistent with Ecology's Administrative Services Division goal to maintain agency facilities that support our staff's ability to meet current and future business needs.

This request also provides essential support to the following Governor's Results Washington goals:

- Sustainable Energy and Clean Environment
- Efficient, Effective, & Accountable Government

Performance Outcomes:

The outcome of this request will ensure that the proper fire protection and emergency services are provided to Ecology's HQ building for the safety of our employees and the public.

Equity Impacts

Community outreach and engagement:

N/A

Disproportional Impact Considerations:

N/A

Target Populations or Communities:

N/A

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

N/A

Stakeholder Response:

N/A

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

Not applicable – this is a technical ML request.

Reference Documents

[Fire Protection & Emergency Service-Attachment.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. E	\$49	\$49	\$98	\$49	\$49	\$98

Agency Contact Information

Jim Pendowski

(360) 250-0471

jpen461@ecy.wa.gov

Thurston County Assessor

Parcel Number: 11816130201

Date: 2/15/2023

Situs Address: 300 DESMOND DR SE

Sect/Town/Range: 16 18 1W

Owner: WASH-DEPT OF ENTERPRISE SERVICES
Address: PO BOX 41480
OLYMPIA, WA 98504-1480

Size: 28.57 Acres
UseCode: 67 Service - Governmental
TCA Number: 241
Neighborhood: 28HC
Property Type: XMP
Taxable: YES

Taxpayer: WASH-DEPT OF ENTERPRISE SERVICES
Address: PO BOX 41480
OLYMPIA, WA 98504-1480

Active Exemptions: Government Property - Property is exempt from property tax and the assessed value may not represent market value.

Abbreviated Legal: Section 16 Township 18 Range 1W Quarter SW NE, SE NE
BLA140004LA TR A Document 4388384

Fire District: FIRE DISTRICT #03
School District: NORTH THURSTON S.D. #3

Water Source: PUBLIC
Sewer Type: SEWER

Market Values

Tax Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assessment Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Market Value Land	\$11,027,500	\$12,073,400	\$7,371,000	\$7,906,700	\$4,107,400	\$3,544,000	\$1,563,550	\$1,966,750	\$3,194,500	\$3,194,500
Market Value Buildings	\$137,767,900	\$79,372,200	\$74,752,400	\$90,036,800	\$81,870,700	\$79,134,100	\$84,632,000	\$85,212,400	\$84,093,300	\$81,321,700
Market Value Total	\$148,795,400	\$91,445,600	\$82,123,400	\$97,943,500	\$85,978,100	\$82,678,100	\$86,195,550	\$87,179,150	\$87,287,800	\$84,516,200

Commercial Structures

Building	Year Built	Floor	Square Feet	No. Floors	Total Sq. Ft.	Quality	Condition
GOV-BSMT-GRG	1993	1	14615	2	29230	GOOD	AVERAGE
OFFICE	1993	1	103420	1	103420	VERY-GOOD	GOOD
OFFICE	1993	2	94587	1	94587	VERY-GOOD	GOOD
OFFICE	1993	3	78695	1	78695	VERY-GOOD	GOOD
OFFICE-BSMT	1993	4	49126	1	49126	VERY-GOOD	GOOD
PARKG-STRUCT	1993	1	47500	3	142500	GOOD	AVERAGE
					497558		

Detached Structures

Structure	Year Built	Square Feet	Quality	Condition
SHOP	1994	210	EXCELLENT	AVERAGE

Land Characteristics

Land Flag	4040	Land Influence(s)	LT-LIGHT TRAFFIC
Lot Square Footage	1244316		MEX-MODERATE EXIT
Lot Acreage	28.57		
Effective Frontage	Not Listed		
Effective Depth	Not Listed		
Water Source	Public		
Sewer Source	Public		

The Assessor's Office maintains property records on approximately 112,000 parcels in Thurston County for tax purposes. Though records are updated regularly, the accuracy and timeliness of published data cannot be guaranteed. Any person or entity that relies on information obtained from this website does so at his or her own risk. Neither Thurston County nor the Assessor will be held liable for damage or losses caused by use of this information. **All critical information should be independently verified.**

Office of the Assessor

Steven J. Drew, Assessor

2000 Lakeridge Drive SW - Olympia, WA 98502

Customer Service (360)867-2200 -- Fax (360)867-2201 -- TDD (360)754-2933

Department of Ecology

Property Number	Site Address	Acres	2023 Sum of Land Value	2023 Sum of Building Value	Total Value
# 11816130201	300 Desmond DR SE, Lacey, WA 98503	28.57	\$11,027,500	\$137,767,900	\$148,795,400.00
2023					
Total Contracted Assessed Value					
Assessed Value divided by 1000					
x Lacey Fire District 3 Levy Rate per \$1000					
Equals the Total Amount Due for the Current Year					
					\$148,795,400.00
					\$148,795.40
					\$1.16
					\$172,602.66

*Per Contract from July 1, 2022- June 30, 2023 Assessed Value is \$148,795,400.00

Received
FEB 23 2023
Headquarters
Facilities Office

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Agency Recommendation Summary

This request supports a maintenance level lease increase for the Department of Ecology's Richland Field Office in Benton County. This lease increase was negotiated by Department of Enterprise Services Real Estate Services on behalf of Ecology. The work done at this facility benefits the U.S Department of Energy, public, other state agencies, Tribes, local partners, and helps protect, preserve, and enhance Washington's environment for current and future generations. (Radioactive Mixed Waste Account, General Fund-Federal)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Operating Expenditures						
Fund 001 - 2	\$1	\$2	\$3	\$2	\$2	\$4
Fund 20R - 1	\$2	\$9	\$11	\$9	\$9	\$18
Total Expenditures	\$3	\$11	\$14	\$11	\$11	\$22
Revenue						
001 - 0381	\$1	\$2	\$3	\$2	\$2	\$4
20R - 0294	\$2	\$9	\$11	\$9	\$9	\$18
Total Revenue	\$3	\$11	\$14	\$11	\$11	\$22

Decision Package Description

Ecology leases approximately 21,958 square feet in Richland, WA for the Nuclear Waste Program. The program has been in this location since 2004, and the current lease will expire on March 31, 2024. In April 2023, Ecology worked with the Department of Enterprise Services Real Estate Services to finalize a new lease agreement for the Richland Field Office (RFO) (see attached). The effective term of the new agreement is April 1, 2024, through March 31, 2029. Current lease costs are \$417,202 per year, and the new lease will cost \$428,181 per year. This request is for a maintenance level (ML) increase to cover these additional ongoing lease costs, beginning April 1, 2024.

Impacts on Population Served:

This request will help maintain the current level of service provided from this location.

Alternatives Explored:

Ecology has worked closely with the Office of Financial Management and the Department of Enterprise Services Real Estate Services in previous years to ensure this facility in this location is the most cost-effective and best alternative for Ecology and the state to continue providing important services in the Tri-Cities area.

The only other alternative to fund this cost increase would be to redirect existing resources from core environmental and public health work done by Ecology. This is not a viable option for Ecology.

Consequences of Not Funding This Request:

If Ecology does not receive funding for this cost increase, core environmental and public health work at Hanford would have to be cut to absorb these costs.

JUSTIFICATION FOR NEW OR INCREASED FEE REQUEST:

1. Fee Name: Mixed Waste Management Fee

2. Current Tax or Fee Rate: \$12,032,000 in fiscal year 2024 and \$11,923,000 in fiscal year 2025. This request will add \$2,745 in fiscal year 2024 and \$10,979 annually thereafter to the billing.

3. Proposed Rate:

FY 2024: \$12,034,745

FY 2025: \$11,933,979

4. Incremental Change for Each Year:

FY 2024: \$2,745

FY 2025: \$10,979

5. Expected Implementation Date: April 1, 2024

6. Estimated Additional Revenue Generated by Increase:

FY 2024: \$2,745

FY 2025: \$10,979

7. Justification: The Radioactive Mixed Waste Fee is established in RCW 70.105.280 and administered through Chapter 173-328 WAC to determine the costs to implement the Hazardous Waste Management Act at radioactive mixed waste facilities and to bill those facilities for the state's cost. The fee is collected annually from U.S. Department of Energy (USDOE) and three smaller facilities based on estimated biennial costs for Ecology to carry out the duties under the Dangerous Waste Regulations (Chapter 173-303 WAC). Ecology determines program costs and provides billing estimates to fee payers annually that can be challenged.

8. Changes in Who Pays: No Change

9. Changes in Methodology: No Change

10: RecSum Code: 8L

11. Alternatives: No alternatives considered

12. Statutory Change Required? No

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request will help maintain the current level of service provided at this facility. It does not expand or alter a current program or service.

Detailed Assumptions and Calculations:

For fiscal year 2024, Ecology requires \$2,745 to cover the increased lease costs of the new RFO lease. Beginning in fiscal year 2025, and ongoing, Ecology requires \$10,979 per year to cover these increased costs.

Expenditure calculations are based on the cost difference between the current and new lease agreements, which will increase from \$417,202 per year to \$428,181 per year, beginning April 1, 2024. The requested annual increases are calculated as follows:

- Fiscal year 2024: \$35,682 per month (new lease) - \$34,767 per month (old lease) = \$915 per month x 3 months = \$2,745.
- Fiscal year 2025 and ongoing: \$35,682 per month (new lease) - \$34,767 per month (old lease) = \$915 increase per month x 12 months per year = \$10,980.

The new lease costs work out to an annual rate of \$19.50 per square foot (\$428,181 / 21,958 square feet). This compares favorably with current national market rates for commercial office spaces being roughly \$23.04 per square foot (https://www.commercialedge.com/blog/national-office-report/#:~:text=The%20average%20rates%20for%20A,%2Dover%2Dyear%20in%20June.)).

Workforce Assumptions:

Expenditures by Object			<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
E	Goods and Services		2,745	10,979	10,979	10,979	10,979	10,979
	Total Objects		2,745	10,979	10,979	10,979	10,979	10,979
Staffing								
Job Class	Salary		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	Total FTEs		0.00	0.00	0.00	0.00	0.00	0.00

Explanation of costs by object:

All costs are Goods and Services (Object E)

Strategic and Performance Outcomes

Strategic Framework:

Strategic framework:

Maintaining the lease for the RFO streamlines logistics for our fieldwork operations, increases productivity, and is essential to meeting each the goals in Ecology's strategic plan:

- Goal 1: Support and engage our communities, customers, and employees
- Goal 2: Reduce and prepare for climate impacts
- Goal 3: Prevent and reduce toxic threats and pollution
- Goal 4: Protect and manage our state's waters

This request is consistent with Ecology's Administrative Services Division goal to maintain agency facilities that support our staff's ability to meet current and future business needs.

This request also provides essential support to the Governor's Results Washington goals:

- Sustainable Energy and Clean Environment
- Efficient, Effective, & Accountable Government

Performance Outcomes:

The outcome of this request will be maintaining the current level of service Ecology provides. The services provided at this facility are important to helping Ecology achieve outcomes linked to Ecology's mission to protect, preserve, and enhance Washington's environment for current and future generations.

Equity Impacts

Community outreach and engagement:

N/A

Disproportional Impact Considerations:

N/A

Target Populations or Communities:

N/A

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

The RFO supports not only Ecology staff, but also provides technical and analytical support to the U.S. Department of Energy, local governments, and Tribes in eastern Washington.

Stakeholder Response:

N/A

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

Not applicable – this is a technical ML request.

Reference Documents

[8L-Lease Adjustments - Attachment.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. E	\$3	\$11	\$14	\$11	\$11	\$22

Agency Contact Information

Paul McKnight
(360) 706-3167
pmck461@ecy.wa.gov

AFTER RECORDING RETURN TO:

Department of Enterprise Services
Real Estate Services
P. O. Box 41468
Olympia, Washington 98504-1468

Lease No. SRL 23-0049
Project No. 22-03-067

(Richland) ARP/ams
Page 1 of 11
Date: April 12, 2023

LEASE

THIS LEASE is made and entered into between SMI Group V, LLC, a Washington limited liability company whose address is 1030 Battelle Boulevard, Suite 102, Richland, Washington 98354, for its heirs, executors, administrators, successors, and assigns, hereinafter called the Lessor, and the STATE OF WASHINGTON, Department of Ecology, acting through the Department of Enterprise Services, hereinafter called the Lessee.

WHEREAS, the Department of Enterprise Services is granted authority to lease property under RCW 43.82.010;

WHEREAS, the Lessor and Lessee deem it to be in the best public interest to enter into this Lease;

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, IT IS MUTUALLY AGREED AS FOLLOWS:

LEASED PREMISES

1. The Lessor hereby leases to the Lessee the following described premises:

Tax Parcel Number: 8140 8400 0002 009

Common Street Address: 3100 Port of Benton Boulevard, Richland, WA 99354

Approximately 21,958 BOMA gross square feet of office space, together with common on-site code parking, legally described as follows:

A parcel of land located in Section 14, Township 10 North, Range 28 East, Willamette Meridian and described as follows:

Beginning at an existing monument being the intersection of George Washington Way and Battelle Boulevard; thence N00° 52' 43" W 1.03 feet to a point on the construction centerline of Battelle Boulevard to the east, thence N89° 07' 17" E 702.06 feet along the construction centerline of Battelle Boulevard to a point on the east right-of-way line of Port of Benton Boulevard; thence N00° 53' 08" W 217.88 feet to the true point of beginning; N00° 53' 08" W 309.36 feet to the



intersection of the east right-of-way line of Port of Benton Boulevard and south right-of-way line of 9th Street; thence N89° 07' 57" E 379.27 feet to the intersection of west right-of-way line of Richardson Road and south right-of-way line of 9th Street; thence S00° 54' 58" E 309.36 feet to a point on the west right-of-way line of Richardson Road; thence S89° 07' 57" W 379.43 feet to the true point of beginning. Situate in the County of Benton.

USE

2. The premises shall be used by the Department of Ecology and/or other state agencies for the following purpose(s): office space. Office use includes associated office activities, such as trainings, conferences, retreats, open public meetings, health and wellness activities, and office related parties and social events.

TERM

3. TO HAVE AND TO HOLD the premises with their appurtenances for the term beginning April 1, 2024 and ending March 31, 2029.

RENTAL RATE

4. The Lessee shall pay rent to the Lessor for the premises at the following rate:

Thirty-five Thousand Six Hundred Eighty-one Dollars and Seventy-five Cents

\$35,681.75 per month

Payment shall be made at the end of each month upon submission of properly executed vouchers.

4.1. The Lessee shall not be required to pay the rental rate referenced in Section 4 above until all of the work requested by Lessee in Additional Lease Provisions Section(s) 21 and has been completed by Lessor. Until all such work is completed and approved by Lessee, the rate of \$34,766.83 per month, as required under SRL 18-0051 shall be paid. There will be no reimbursement to Lessor of the difference in rent for the period of time the lease rate was reduced.

INCENTIVES

5. [Intentionally deleted]

EXPENSES

6. During the term of this Lease, Lessor shall pay all real estate taxes, all property assessments, insurance, landscape and irrigation water, and maintenance and repair as described below, together with stormwater, garbage collection, and recycling.

6.1. Lessee shall pay for only natural gas, electricity, water, sewer, exterior and interior window washing, janitorial services, and restroom supplies.

MAINTENANCE AND REPAIR

7. The Lessor shall maintain the premises in good repair and tenantable condition during the continuance of this Lease, except in case of damage arising from the negligence of the Lessee's agents or employees. For the purposes of maintaining and repairing the premises, the Lessor reserves the right at reasonable times upon reasonable notice to enter and inspect the premises and to make any necessary repairs to the building. Lessor's maintenance and repair obligations shall include, but not be limited to, the mechanical, electrical, interior lighting (including replacement of ballasts, starters, fluorescent tubes, light bulbs, LED fixtures and lighting elements, as required), plumbing, heating, ventilating

Please Initial


and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; inside and outside walls (including windows and entrance and exit doors); all structural portions of the building (including the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements generally applicable to similar office buildings in the area (example: fire, building, energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

7.1. Lessor shall as part of maintenance provide de-icing and snow and debris removal service. At a minimum, Lessor shall treat or remove, before normal business hours and at other times as soon as practical thereafter, debris, snow and/or ice from the parking lot and all sidewalks and entrances. Without prior notice, Lessor shall apply de-icer and/or sand as necessary to any sidewalks and entrances to avoid unsafe conditions; snow removal in parking lots to take place when an excess of 2 inches of snow occurs; provided, any icy or dangerous conditions must be addressed. This provision does not create any third parties beneficiary rights, including but not limited to rights in any member of the public or state employees, to enforce this provision, rely upon it, or to reference it in any legal action.

ASSIGNMENT/SUBLEASE

8. Except for sublet for use by other State agencies per the "USE" section herein, the Lessee may not assign this Lease or sublet the premises without the prior written consent of the Lessor, which consent shall not be unreasonably withheld or delayed. Lessor shall respond to approve or disapprove a request for consent within thirty (30) days of receipt of the request. If such response is not received within thirty days, it will be considered approved and Lessee will proceed with sublease. Lessee shall not permit the use of the premises by anyone other than the Lessee, such assignee or sublessee, and the employees, agents and servants of the Lessee, assignee, or sublessee.

RENEWAL/CANCELLATION

9. The Lease may, at the option of the Lessee, be renegotiated for an additional five (5) years.

PAYMENT

10. Any and all payments provided for herein when made to the Lessor by the Lessee shall release the Lessee from any obligation therefor to any other party or assignee.

COMPLIANCE WITH STATE/FEDERAL LAWS

11. Lessor is responsible for complying with all applicable provisions of the Americans With Disabilities Act of 1990, and all amendments and regulations thereto and the Washington State Law Against Discrimination, Chapter 49.60 RCW, as well as the regulations adopted thereunder, with respect to the Leased Premises.

FIXTURES

12. The Lessee, upon the written authorization of the Department of Enterprise Services, shall have the right during the existence of this Lease with the written permission of the Lessor (such permission shall not be unreasonably withheld), to make alterations, attach fixtures, and erect additions, structures or signs, in or upon the premises hereby leased. Such alterations, fixtures, additions, structures and signs shall be authorized only by the Department of Enterprise Services. Performance of any of the rights authorized above shall be conducted in compliance with all applicable governmental regulations, building codes, including obtaining any necessary permits. Any fixtures, additions, or structures so placed in or upon or attached to the premises shall be and remain the property of the Lessee and may be removed therefrom by the Lessee upon the termination of this Lease. Any damage caused by Lessee's removal of any of the above items shall be repaired by the Lessee. Any improvements that the Lessee does not remove within

Please Initial



30 days after the termination of the Lease shall become the property of the Lessor, and the Lessee shall have no responsibility to remove them, pay for removal, or repair any damage caused by their removal by another. This provision shall survive termination of the Lease.

REMODEL

13. [Intentionally deleted]

ALTERATIONS/IMPROVEMENTS

14. In the event the Lessee requires alterations/improvements during the term of this Lease, any renewals and/or modifications thereof, the Lessor shall have the right to provide such services. If required by state law, the Lessor shall pay prevailing rate of wage to all workers, laborers or mechanics employed to perform such work as well as comply with the rules and regulations of the Department of Labor & Industries. If the Lessee considers Lessor's proposed costs for alterations/ improvements excessive, Lessee shall have the right, but not the obligation, to request and receive at least two independent bids; and the Lessee shall have the right at its option to select one alternative contractor whom the Lessor shall allow to provide such services for the Lessee in compliance with the Lessor's building standards and operation procedures.

PREVAILING WAGE

15. Lessor agrees to pay the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of any part of this Lease when required by state law to do so, and to comply with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this Lease will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are by reference made a part of this Lease as though fully set forth herein.

DISASTER

16. In the event the leased premises are destroyed or injured by fire, earthquake or other casualty so as to render the premises unfit for occupancy, and the Lessor(s) neglects and/or refuses to restore said premises to their former condition, then the Lessee may terminate this Lease and shall be reimbursed for any unearned rent that has been paid. In the event said premises are partially destroyed by any of the aforesaid means, the rent herein agreed to be paid shall be abated from the time of occurrence of such destruction or injury until the premises are again restored to their former condition, and any rent paid by the Lessee during the period of abatement shall be credited upon the next installment(s) of rent to be paid. It is understood that the terms "abated" and "abatement" mean a pro rata reduction of area unsuitable for occupancy due to casualty loss in relation to the total rented area.

NO GUARANTEES

17. It is understood that no guarantees, express or implied, representations, promises or statements have been made by the Lessee unless endorsed herein in writing. And it is further understood that this Lease shall not be valid and binding upon the State of Washington, unless same has been approved by the Director of the Department of Enterprise Services of the State of Washington or his or her designee and approved as to form by the Office of the Attorney General. Any amendment or modification of this Lease must be in writing and signed by both parties.

ENERGY CONSERVATION

18. Lessor has conducted an energy walk-through survey of the leased premises using the DES walk- through survey form. The survey is for the purpose of identifying improvements to maintenance and operating conditions and procedures that would conserve energy. The Lessor shall provide DES with a copy of the completed walk-through form and as soon as



practicable thereafter, implement identified improvements to energy conservation maintenance and operating procedures.

REIMBURSEMENT FOR DAMAGE TO PREMISES

19. The Lessee hereby agrees to reimburse the Lessor for damages caused by the negligence of its employees and agents, but in no event shall this section be construed as diminishing the Lessor's duty to make repairs as set forth in preceding sections of this Lease, or as making Lessee responsible for the repair of normal wear and tear.

HAZARDOUS SUBSTANCES

20. Lessor warrants to his/her knowledge that no hazardous substance, toxic waste, or other toxic substance has been produced, disposed of, or is or has been kept on the premises hereby leased which if found on the property would subject the owner or user to any damages, penalty, or liability under any applicable local, state or federal law or regulation.

Lessor shall indemnify and hold harmless the Lessee with respect to any and all damages, costs, attorneys' fees, and penalties arising from the presence of any hazardous or toxic substances on the premises, except for such substances as may be placed on the premises by the Lessee.

ADDITIONAL LEASE PROVISIONS

21. It is agreed that the Lessor shall, at Lessor's sole cost and expense, on or before April 1, 2024, complete in a good and workmanlike manner, in accordance with state Leased Space Requirements, Edition 1.0 and addenda, if any, attached hereto and incorporated herein by reference as Exhibit "A", the following items:

NOTE: Where work may disrupt and/or negatively impact Lessee's staff and their work, please contact Lessee at least sixty (60) days prior to anticipated start date in order to minimize disruptions.

SITE:

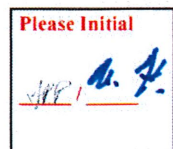
- a. Parking: Parking areas generally covered by snow and not observed.
- b. Landscaping: Landscape areas were generally covered by snow and not observed. The landscaping elements at the bike rack are overgrown and limiting observability and security for the area.
 - i. Work with Agency/Tenant to evaluate and determine landscaping modification required to open a clear line of sight between the office and bike rack area. Provide replacement landscaping with open branches and reduced foliage.

EXTERIOR:

- c. Doors: (08 10 00 Doors and Frames, 1.1 General) The east entry/exit door latch needs adjustment. The door is not latching when closing.
 - i. Inspect and repair or replace door latch as required to return to normal operation.

INTERIOR:

- d. Plaster and Gypsum Board: (09 20 00 – Plaster and Gypsum Board Assemblies) The northwest corner of the large meeting room exhibits differential movement with damage to the wall covering and finish.
 - i. Diagnose source of differential movement at corner of large conference room and provide remediation to cause of damage. Repair wall covering and finishes to like new appearance.
- e. Relites and Windows: Several window blinds were observed to be difficult to operate.

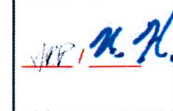


- i. Consult with tenant concerning blinds requiring repair/replacement. Survey facility for damaged blinds and provide repairs or replacement as required for normal operation and a uniform like-new appearance.
- f. **Paint: (09 90 00 – Painting & Coating)** All walls throughout the facility were observed to have varying needs for minor touch-up painting. Isolated areas have wall anchor holes, scratches, and paint discoloration.
 - i. Survey all walls throughout the facility and provide touch-up paint including cleaning, removal of unused wall anchors, repair to damage and holes, texture, and paint with LSR-compliant product to match adjacent finishes. Where touch up will be evident, paint to natural breaks to blend finishes.
 - i.i Lessor shall remove and re-install all furniture and partitions and shall, where necessary, provide a licensed electrician to disconnect and reconnect all hard-wired connections.
 - i.ii Lessee shall remove all personal items, computers and associated Lessee equipment as required to facilitate work.
- g. **Flooring - Vinyl: (09 60 00 –Flooring) (09 65 00 – Resilient Flooring; 09 65 13 - Resilient Base, 09 65 19.19 - VCT)** Vinyl flooring was observed to require cleaning.
 - i. Strip and re-seal all vinyl flooring.
 - i.i Lessor to remove and re-install all furniture and partitions and shall, where necessary, provide a licensed electrician to disconnect and reconnect all hard-wired connections.
 - i.ii Lessee shall remove all personal items, computers, and associated Lessee equipment as required to facilitate work.
- h. **Pest Control:** Tenant reports annual reoccurring spider infestation of the exterior finishes and associated landscape plantings on the south side of the building. Tenant reports the periodic presence of yellowjackets in the file storage room.
 - i. Engage the services of a certified pest control vendor to provide insect remediation.
- i. **Plumbing: (22 40 00 Fixtures; 1.1, 1.3)** Caulking at fixture wall joints was observed to be failing. Caulking at toilet to floor joints appears to be failing.
 - i. Survey facility fixtures for failing caulk at all fixture wall joints, floor joints, and surface joints. Remove failed caulk and re-apply new caulking with LSR compliant products.
- j. **Heating Ventilation and Air Conditioning: (23 00 00 HVAC, 1.5 System Performance, 1.6 Controls)** Local staff reports that throughout the facility areas have chronic HVAC temperature control problems. HVAC distribution and temperature controls do not respond to localized zone needs. Throughout the facility grills and diffusers appear to have light buildup of stains and deleterious accretions.
 - i. Engage the services of a Washington State professional registered mechanical engineer to inspect HVAC system and prepare remediation recommendations.
 - i.i Provide remediation modifications as recommended to bring HVAC system performance into conformance with LSR standards. Include additional zones if required to maintain conditioning of all spaces within LSR standards.
 - i.ii Provide a schedule for the modification/correction work to be performed. Coordinate with Tenant to provide corrective work to limit disruption in continuity of Agency services.
 - i.iii Provide an updated balance report including HVAC distribution drawing for the system.
 - ii. Clean all HVAC supply and return air diffusers and grilles.

CANCELLATION/SUPERSESSION

22. This Lease cancels, supersedes, or replaces SRL 18-0051 dated April 12, 2018, and all modifications thereto effective April 1, 2024.

Please Initial



DUTY TO CURE

23. Upon receiving notice of a condition requiring a cure, the party obligated to effect the cure shall initiate and complete cure or repair of such condition within a reasonable time. A condition requiring cure includes, without limitation: (1) a condition for which the Lease requires either party to undertake repair/ replacement and/or other maintenance of the Premises, (2) a condition where either has failed to maintain a service or utility account in good standing as required by the Lease, and (3) any other condition resulting from a party's failure to carry out any obligation under the Lease, including without limitation obligations for rent, charges, improvements, alterations, and/or deferred maintenance, and remediation of damages for which a party is responsible under the Lease. Premises include all fixtures and equipment provided within the Premises by the Lessor.

The term "reasonable time" as used within this section of the Lease shall mean as soon as reasonably possible but no longer than thirty (30) days, unless either (1) an emergency condition exists requiring an immediate cure to promptly begin without delay, usually within hours and to be complete within 24 hours to the extent reasonably possible in light of the nature of the condition and circumstances, or (2) a non-emergency condition exists that is not reasonably possible to cure within 30 days with due diligence and the breaching party provides the level of cure or preparation for cure that is reasonably possible to do with due diligence within 30 days.

If an emergency or non-emergency condition exists that is not reasonably possible to completely cure within 24 hours or 30 days, respectively, the party obligated to cure shall so notify the other party within 24 hours or 30 days, respectively. Such notice shall explain why the cure is not reasonably possible with due diligence to complete within 24 hours (if an emergency) or 30 days (if a non-emergency) and provide the earliest date that the work can be completed as soon as reasonably possible. It is not a justifiable ground for delay that the party obligated to effect the cure does not have available funding to accomplish the cure or that a preferred contractor has limited availability if other contractors can satisfactorily perform the work sooner at reasonable cost.

The term "emergency condition" shall mean a condition requiring a cure that (i) prevents or substantially disrupts the Lessee from using all or a substantial part of the premises, or (ii) causes or substantially threatens to cause injury to persons or damage to property or raises a substantial danger to the health or safety of any persons on or using the premises.

Notice under the Duty to Cure and Self Help sections may be by the means allowed in the Notice section, but in addition includes actual notice/awareness that Lessor or Lessee has of a condition independent of any such notice. In addition to the above, when an emergency condition exists, notice may be in-person, oral, email, telephone, or through other means that places the information before the Lessor or Lessee of which he or she would reasonably be expected to learn or notice.

SELF HELP

24. If the party obligated to effect the cure does not cure within the time required by this Lease, the other party may cure all or part of the default after providing notice to the party obligated to effect the cure of its intent to perform such cure, and, if applicable, recover the costs incurred in curing the default. If the nonbreaching party is the Lessee, the Lessee may deduct all reasonable costs incurred from rent or other charges owed to Lessor. If the nonbreaching party is the Lessor, Lessor will submit properly executed vouchers and proof of payment to Lessee and Lessee shall remit payment to Lessor within thirty (30) days or as soon as is practicable. A party's costs incurred to cure include, but are not limited to, all reasonable out-of-pocket expenses, payment of unpaid utility or services charges for which the other party is responsible, and all administrative costs the non-breaching party reasonably incurs and documents in performing or arranging for performance of the cure.

The nonbreaching party is under no obligation to cure some or all of the default of the breaching party. To the extent that the nonbreaching party does not cure the default, the nonbreaching party may pursue its legal and contractual remedies against the breaching party. The nonbreaching party's

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failure to cure the breaching party's default does not waive the nonbreaching party's rights to relief. Nothing herein removes or lessens either party's obligation to mitigate damages.

If the Lessee elects to cure using self-help in part or whole, the Lessor shall defend, save, and hold harmless the Lessee, its authorized agents and employees, from all claims, actions, costs, damages or expenses of any nature whatsoever arising out of or in connection with such cure, except where RCW 4.24.115 is applicable and injuries and/or damages are caused by the sole negligence of the Lessee, its agents, or employees. If RCW 4.24.115 is applicable and liability for damages arises out of bodily injury to persons or damages to property and is caused by or results from the concurrent negligence of the Lessee, its agents, or employees, Lessor's liability, including the duty and cost to defend, hereunder shall apply only to the extent of the negligence of Lessor, its agents, or employees.

DEFAULT LEADING TO TERMINATION

25. If either party fails to initiate and complete cure of a condition requiring cure within a reasonable time after receiving notice of such condition, the nonbreaching party may initiate a default leading to termination of the Lease by providing written notice to the breaching party of the continuing breach. If the breaching party does not complete the cure of the breach within 60 days after receiving such written notice initiating default leading to termination, the nonbreaching party may at such time, or at a later date if the cure has still not been completed, declare a termination by default by so notifying the breaching party. Cure of a condition after a valid notice of termination by default is provided, but before termination, shall void a valid notice of termination of the Lease.

If a termination by default is declared or a court so orders, the date of termination shall be determined based on the earliest reasonable date that the Lessee may move and relocate from premises or as agreed by the parties. The determination shall be made in light of available funding for the move, the date at which suitable replacement premises can be fully available, and the time reasonably needed to plan and complete the move.

CONDEMNATION

26. If any of the premises or the Building, as may be required for the reasonable use of the premises, are taken by eminent domain, this Lease shall automatically terminate as of the date Lessee is required to vacate the premises and all rentals shall be paid to that date. In case of a taking of a part of the premises, or a portion of the Building not required for the reasonable use of the premises, at Lessee's determination, then the Lease shall continue in full force and effect and the rental shall be equitably reduced based on the proportion by which the floor area of the premises is reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Lessor reserves all rights to damages and awards in connection therewith, except Lessee shall have the right to claim from the condemning authority the value of its leasehold interest and any relocation benefits.

MONTH TO MONTH TENANCY

27. If Lessee remains in possession of the premises after the expiration or termination of the Lease term, or any extension thereof, such possession by Lessee shall be deemed to be a month-to-month tenancy, terminable as provided by law. During such month-to-month tenancy, Lessee shall pay all rent provided in this Lease or such other rent as the parties mutually agree in writing and all provisions of this Lease shall apply to the month-to-month tenancy, except those pertaining to term and option to extend.

SUBORDINATION

28. So long as Lessor has fully performed under the terms of this Lease, Lessee agrees to execute, within ten (10) days of written request by Lessor, the state's standard Tenant Estoppel and Subordination Agreements which have been approved as to form by the Office of the Attorney General. A \$400.00 processing fee will be assessed for processing these documents.

Please Initial



CAPTIONS

29. The captions and section headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any section.

INTEGRATED DOCUMENT

30. This Lease and the exhibits hereto constitute the entire agreement between the parties with respect to the lease of Premises and supersedes all prior and contemporaneous agreements and understandings between the parties hereto relating to the subject matter hereof.

NOTICES

31. Wherever in this Lease written notices are to be given or made, except for alternative means of notice provided for the Duty to Cure and Self Help sections, the notices shall be sent by certified mail to the address listed below unless a different address shall be designated in writing and delivered to the other party.

LESSOR: SMI Group V, LLC
1030 Battelle Boulevard, Suite 102
Richland, Washington 98354

LESSEE: Department of Enterprise Services
Real Estate Services
1500 Jefferson Street S.E., 2nd Floor
Post Office Box 41468
Olympia, Washington 98504-1468

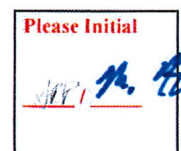
SRL 23-0049

EXHIBITS

32. The following exhibits described herein and attached hereto, are fully incorporated into this Lease by this reference:

a) Exhibit A: The Leased Space Requirements

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IN WITNESS WHEREOF, the parties subscribe their names.

SMI Group Y, LLC

By: Michael E. Henry

Printed Name: Michael E. Henry

Title: Sole Member

Date: 4/26/23

STATE OF WASHINGTON

Department of Ecology

Acting through the Department
of Enterprise Services

Richard J. Bushnell
Richard J. Bushnell, Assistant Director
Real Estate Services

Date: 5-2-2023

RECOMMENDED FOR APPROVAL:

Amy Pappajohn
Amy Pappajohn, Property and Acquisition Specialist
Real Estate Services

Date: 04/25/2023

APPROVED AS TO FORM:

By: Brian K. Thompson

Assistant Attorney General

Date: 27 Apr 23

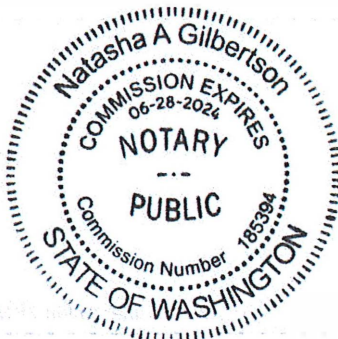
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AP M.E.H.

STATE OF Washington)
) ss.
 County of Benton)

On this 26 day of April, 20 23 before me personally appeared Michael E. Henry and said person(s) acknowledged that he signed this instrument, and on oath stated that he was authorized to execute the instrument and acknowledged it as the sole member of SMI Group V, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Natasha Gilbertson

Notary Public in and for the State of Washington,
 Residing at Richland
 My commission expires 6-28-24

STATE OF WASHINGTON)
) ss.
 County of Thurston)

the undersigned, a Notary Public, do hereby certify that on this 2nd day of May, 20 23, personally appeared before me RICHARD J. BUSHNELL, Assistant Director, Real Estate Services, Department of Enterprise Services, State of Washington, to me known to be the individual described in and who executed the within instrument, and acknowledged that he signed and sealed the same as the free and voluntary act and deed of the Department, for the purposes and uses therein mentioned, and on oath stated that he was duly authorized to execute said document.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Ratwood

Notary Public in and for the State of Washington,
 Residing at Thurston Co
 My commission expires 11-24-26





Washington State Department of
Enterprise Services
REAL ESTATE SERVICES

LEASED SPACE REQUIREMENTS

This document contains general information and performance standards for State leased facilities administered by the Department of Enterprise Services, Real Estate Services. Revisions to this document will be approved and issued by RES in the form of version sequences, the first being Edition 1.0.

REVISION HISTORY			
EDITION	ISSUE DATE	CHANGE SUMMARY	AUTHOR
LSR 2005	N/A	N/A	N/A
LSR 1.0	10/02/2019	Update to current CSI format; update code references; update Bid Cost Breakdown; add New Space Addendum with minimum requirements worksheet.	Regina M. Leccese; RES

Department of Ecology
2024 Supplemental Operating Budget
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Agency Recommendation Summary

As the climate changes and temperatures climb, Washington faces serious impacts to its snowpack, infrastructure, and water supplies. Since 2019, the Legislature has tasked Ecology with implementing a number of laws designed to: 1) help transition the state's economy from being based primarily on fossil fuels to having net zero emissions; 2) help to slow the causes of climate change; and 3) support communities already impacted by the effects of climate change. Together, these initiatives are putting Washington on a path toward achieving net-zero emissions statewide by 2050. However, through implementation of these laws to this point, it has become clear that additional resources are needed to ensure long-term success. This request supports additional staff and contract resources needed to ensure continued success and meet current workload demands. Related to Puget Sound Action Agenda Implementation. (Multiple Funds)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	20.7	10.35	20.7	20.1	20.4
Operating Expenditures						
Fund 001 - 1	\$0	\$409	\$409	\$209	\$209	\$418
Fund 216 - 1	\$0	\$42	\$42	\$42	\$42	\$84
Fund 23P - 1	\$0	\$42	\$42	\$42	\$42	\$84
Fund 25Q - 1	\$0	\$153	\$153	\$153	\$153	\$306
Fund 25T - 1	\$0	\$86	\$86	\$86	\$86	\$172
Fund 26B - 1	\$0	\$2,831	\$2,831	\$2,836	\$2,688	\$5,524
Total Expenditures	\$0	\$3,563	\$3,563	\$3,368	\$3,220	\$6,588
Revenue						
216 - 0299	\$0	\$42	\$42	\$42	\$42	\$84
25Q - 0299	\$0	\$153	\$153	\$153	\$153	\$306
25T - 0299	\$0	\$86	\$86	\$86	\$86	\$172
Total Revenue	\$0	\$281	\$281	\$281	\$281	\$562

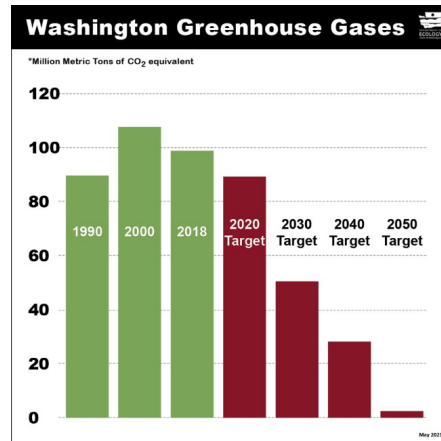
Decision Package Description

Background:

Scientists agree the Earth has been getting warmer over the last century due to human activities that require burning fossil fuels (oil, gas, and coal). Burning fossil fuels releases carbon dioxide, which becomes trapped in the atmosphere as greenhouse gases (GHGs) and increases the planet's temperature. As the Earth's climate continues to warm, the results can have big impacts on the environment.

As the climate changes and temperatures climb, Washington faces serious impacts to its snowpack, infrastructure, and water supplies. Protecting our fish, farms, and communities from the impacts of climate change is a priority for the state. Since 2019, Governor Inslee and the Legislature have adopted a variety of regulations, programs, and initiatives designed to reduce GHG emissions over time. In 2020, the Legislature set new GHG emission limits that align with the latest climate science; under RCW 70A.45.020, the state is required to reduce emissions levels as follows:

- 2020 – emissions fall to 1990 levels of 93.5 million metric tons.
- 2030 – emissions fall to 45 percent below 1990 levels.
- 2040 – emissions fall to 70 percent below 1990 levels.
- 2050 – emissions fall to 95 percent below 1990 levels – the remaining five percent is offset.



As the state's lead agency on climate change, the Legislature has entrusted Ecology with implementing the following climate initiatives to 1) help transition our economy from being based primarily on fossil fuels to having net zero emissions; 2) help to slow the causes of climate change; and 3) support communities already impacted by the effects of climate change. Together, these initiatives are putting Washington on a path toward achieving the GHG limits set in law.

Hydrofluorocarbon Emissions Reduction

In 2019, the Legislature passed E2SHB 1112, which established Washington-specific restrictions on the sale of products containing certain hydrofluorocarbons (HFCs), a category of potent GHGs. HFCs are chemicals made up of hydrogen, fluorine, and carbon and are commonly used in air conditioning and refrigeration, producing insulating foams, and as propellants.

Originally, HFCs were designed specifically because they were thought to be less harmful to the earth's protective ozone layer. But HFCs are quickly building up in the atmosphere and, if their use is not stopped, HFC emissions will account for seven to 19 percent of GHG emissions by 2050. In Washington, HFCs – which are thousands of times more powerful than carbon dioxide – currently account for about four percent of our overall GHG emissions. But this percentage will likely grow by at least a third over the next 15 years if action is not taken to reduce their use.

In 2021, the Legislature passed E2SHB 1050, which expanded on the 2019 HFC restrictions and banned the sale and purchase of certain HFC refrigerants with high-global-warming potential, as well as non-essential consumer products (like air horns and noisemakers) that contain high global-warming-potential refrigerants. The new law (Chapter 70A.60 RCW) directed Ecology to:

- Set a maximum global warming potential (GWP) threshold for HFCs used in ice rinks.
- Establish a refrigerant management program to address refrigerant emissions from large air conditioning and refrigeration equipment.
- Recommend to the Legislature by December 1, 2021, how to manage end-of-life and disposal of refrigerants (<https://apps.ecology.wa.gov/publications/SummaryPages/2102021.html>).

Zero-Emission Vehicles

Transportation is the largest source of GHG emissions in Washington and a major contributor to other types of air pollution. With almost 40 percent of Washington's annual GHG emissions coming from transportation, cleaner cars and trucks are essential to meeting the state's emission limits by 2050. Increasing the number of zero-emission vehicles (ZEVs) on Washington roads will reduce total GHG emissions by the equivalent of 1 million metric tons of carbon dioxide a year by 2030.

In March 2020, the Legislature passed the Motor Vehicle Emission Standards – Zero-Emission Vehicles law (Chapter 70A.30 RCW), which directs Ecology to adopt California's vehicle emission standards and includes new requirements to gradually increase the number of new ZEVs sold in Washington, until all new vehicles meet the ZEV standard starting in 2035.

The law does not ban any gas or diesel vehicle currently on the road, but steadily replaces fossil fuel-powered vehicles with cleaner models for new vehicle sales. Plug-in hybrid vehicles, which combine a gas engine with a battery-electric system, will qualify for the 2035 ZEV standard if they can travel at least 50 miles on battery power.

In November 2021, Ecology adopted rules (Chapter 173-423 WAC and WAC 173-400-025) that require a percentage of the vehicles sold in Washington to be zero emission, starting with the 2025 model year. In December 2022, Ecology updated those rules to maintain consistency with California's standards and Section 177 of the federal Clean Air Act. The updated rules require increased ZEV sales of passenger cars, light-duty trucks, and medium-duty vehicles to 100 percent starting in 2035. It also requires cleaner burning engines in medium- and heavy-duty trucks.

Clean Fuel Standard

With almost 40 percent of all GHG emissions in Washington coming from the transportation sector, and almost half of that coming from personal

cars and trucks, reducing the carbon intensity of the fuels that power those vehicles is an important tool to cutting Washington's statewide GHG emissions. In 2021, the Legislature passed the Clean Fuel Standard (Chapter 70A.535 RCW), requiring fuel suppliers to gradually reduce the carbon intensity of their products 20 percent below 2017 levels by 2038. This is expected to cut statewide GHG emissions by 4.3 million metric tons per year by 2038, while stimulating economic development through new investments in clean fuel technology and production.

There are several ways for fuel suppliers to achieve these reductions, including:

- Improving the efficiency of their fuel production processes.
- Producing and/or blending low-carbon biofuels into the fuel they sell.
- Purchasing credits generated by low-carbon fuel providers, including electric vehicle charging providers.

Under the Clean Fuel Standard, fuels will be assessed to determine their carbon intensity. Cleaner fuels – those with a carbon intensity below the standard – will generate credits that can be kept or sold to producers of high-carbon fuels. Fuels with a carbon intensity above the standard will generate deficits. Those producers must then buy enough credits to meet the carbon-intensity reduction for that year. The requirement to reduce carbon intensity increases over time, making sure all transportation fuels decrease their emissions.

Cap-and-Invest

In 2021, the Legislature passed the Climate Commitment Act (CCA) (Chapter 70A.65 RCW), which establishes a comprehensive, market-based program to reduce carbon pollution and achieve the state's GHG emission limits. The law caps emissions from the state's largest emitting sources and industries, allowing businesses to find the most efficient path to lower carbon emissions.

Under the CCA, Ecology was directed to develop rules to implement a cap on carbon emissions, including mechanisms for the sale and tracking of tradable emissions allowances, along with compliance and accountability measures. Ecology was also required to design and adopt rules to allow for linking the program with similar programs in other jurisdictions.

Ecology's cap-and-invest program, which went live on January 1, 2023, sets a limit, or cap, on overall carbon emissions in the state and requires businesses to obtain allowances to cover their GHG emissions. These allowances can be obtained through quarterly auctions hosted by an Ecology contractor, or bought and sold on a secondary market (just like stocks and bonds). The cap will be reduced over time to ensure Washington achieves its emissions-reduction commitments set in law, which means fewer emissions allowances will be issued each year.

Initially, the program covers industrial facilities, certain fuel suppliers, in-state electricity generators, electricity importers, and natural gas distributors with annual GHG emissions above 25,000 metric tons of carbon dioxide equivalent. The program will expand to add waste-to-energy facilities on January 1, 2027, and certain landfills and railroad companies on January 1, 2031.

Covered entities must either reduce their emissions or obtain allowances to cover any remaining emissions. Some utilities and industries will be issued free allowances, and other allowances will be auctioned. Proceeds from the auction of allowances must be used for clean energy transition and assistance, clean transportation, and climate resiliency projects that promote climate justice, including dedicating a minimum of 35 percent of funds toward overburdened communities, and a minimum of 10 percent toward Tribal projects.

Problems and Proposed Solutions:

While Ecology has made significant progress in implementing each of these laws, we have also discovered several unforeseen challenges that are impacting our ability to move forward effectively. Some of these are issues we could not have predicted as the various climate initiatives were being created and finalized by the Legislature, while others have arisen because we are implementing multiple initiatives at the same time.

Based on our experience with actual implementation of these initiatives to this point, we have identified additional needs in several key areas of Ecology's newly established Climate Pollution Reduction (CPR) Program, including information technology (IT), communications and rulemaking, policy, reporting and verification, and auctions and markets.

Information Technology (IT) Staffing

Each of the climate laws described above rely heavily on IT tools and systems for implementation, including supporting functions such as registering regulated entities, collecting data reports, trading compliance instruments, demonstrating compliance, storing, and analyzing data, and supporting compliance efforts. As these laws were passed by the Legislature, Ecology was funded in each respective budget for what we estimated the IT needs would be to support each new initiative, consistent with our final fiscal notes for each bill. However, developing and implementing the actual IT solutions has been more resource-intensive than originally estimated, and we have identified several unanticipated needs that will require additional IT resources moving forward.

Ecology's new CPR Program currently has a total of seven direct FTEs supporting its suite of IT systems. Of those seven, 5.6 are focused primarily on implementing the CCA and its cap-and-invest program, consistent with Ecology's final fiscal note for E2SSB 5126. However, moving forward, Ecology needs additional IT staff to modernize the existing IT systems, develop new ones, and interconnect them to address the increasing complexity of data management and reporting requirements associated with these laws and provide a more user-friendly access point for both internal and external users.

Ecology is requesting seven new IT FTEs – below is a summary of systems and associated work these positions will support:

- **Greenhouse Gas Registration (GHGReg) Platform and Washington Electronic Database for Greenhouse Gas Emissions (WEDGE):** These applications are used by entities required to report GHG emissions data to Ecology under Chapter 173-441 WAC. All applicable emitters with more than 10,000 metric tons of CO₂ equivalent emissions per year must register and report data, and entities with more than 25,000 metric tons of covered emissions must also participate in the cap-and-invest program and obtain allowances to cover their emissions. These two IT applications were last updated in December 2022 to provide an online registration tool for reporters, and the associated databases were expanded to allow the submission of the additional reporting required for facilities, fuel suppliers, and electric power entities (EPEs). Moving forward, additional resources are needed to 1) continue building out these applications as the cap-and-invest program matures; 2) support timely resolution of system issues encountered by reporters; and 3) ensure the applications and associated databases meet requirements under OCIO policy 188.10 – for Minimum Accessibility Standards.
- **Conversion of Legacy Access Database:** Data that underlies the cap-and-invest program auctions is currently housed in a legacy Access database. This includes exported data from GHGReg for facilities, as well as fuel supplier emissions data from WEDGE. This data is aggregated, analyzed for accuracy, and used for compliance and allowance calculation requirements. However, Microsoft Access is no longer standard agency software and will eventually become unsupported. Accurate and secure data is the foundation of the cap-and-invest program. Without complete and accurate emissions data, we cannot determine an entity's compliance obligation, how many allowances they may need to obtain, how many no-cost allowances they may be entitled to, and other key aspects of the program.

Ecology is using one-time vacancy savings in fiscal year 2024 to contract with a vendor to migrate the existing database from Access to SQL and ensure we can meet our immediate needs associated with holding the auctions under the cap-and-invest program each quarter. The migration is expected to be complete by the start of fiscal year 2025 and, moving forward, the IT positions supported by this request will assume ongoing management of the SQL database.

In addition to ensuring information reported by facilities through GHGReg is securely stored in the new database and available for analysis, these new staff will integrate data reported by EPEs and third-party verifiers. Ecology currently relies on submitted Excel reporting tools to collect this data; but migrating this data into the new SQL database will improve data accuracy and interconnectivity with the registration and facility emissions data also stored there. This includes the following data:

- Electric Power Entity Data
To verify the GHG emissions of EPEs, we need to expand our database capabilities, beyond the changes already made in 2022, to capture reported data and establish emission factors to calculate GHG emissions based on the import and export of power across state lines. This will enable Ecology to ensure that EPEs are properly participating in the cap-and-invest program.
- Third-Party Verification Data
This data is used to track information for individuals and entities certified to serve as third-party verifiers for the cap-and-invest program. Some of this data is stored within the GHGReg, but that application does not allow for storing certain critical data elements, including conflict of interest data provided by the verifiers. Moving this data and maintaining it in the new SQL database will improve Ecology's ability to track this information, and help limit conflicts between GHG reporters and verifiers.

Moving forward, as changes continue to occur in how GHG emissions are reported, both through the U.S. Environmental Protection Agency (EPA) and/or state law/rule updates, the code behind the converted database and associated reporting applications will need to be updated to ensure they remain functional.

In addition to improving and maintaining the existing systems above that support the cap-and-invest program, staff resources are also needed to develop and support several new IT solutions that were not identified at the time these climate policy bills were enacted. The IT staff identified in this request will also support these new systems, which include:

- **Refrigerant Management Program – Inspection Tracking:** When E2SHB 1050 passed in 2021 and required Ecology to establish a refrigerant management program (RMP) to address refrigerant emissions from large air conditioning and refrigeration equipment, our final fiscal note identified IT resources needed to develop a tool for regulated entities to register for the program and report compliance data. However, the fiscal note did not identify resources needed to develop a tool to track inspection data because we did not have information at that time on the number of covered refrigeration systems in the state that might need to be inspected.

Since then, Ecology has completed the following report, required by the bill (<https://apps.ecology.wa.gov/publications/SummaryPages/2302003.html>), which estimates there may be more than 72,000 businesses across the state with equipment covered under the RMP. Based on the number of entities that will need to be inspected to ensure compliance, Ecology needs to develop and implement an efficient IT solution to track inspections and store related data.

- **ZEV Fleet Reporting Platform:** In 2022, Ecology adopted WAC 173-423-083, which requires all owners of heavy-duty fleets of five or more vehicles across the state to report information about their 2022 vehicle operations to Ecology by September 30, 2023. To collect this information, Ecology developed a rudimentary reporting platform that will be used to meet the reporting requirement a single time.

However, based on feedback received during public stakeholder meetings, Ecology has committed to reporting on data received for heavy-duty fleets for calendar year 2023, and there is interest in expanding this reporting on an ongoing periodic basis as we track our progress at reducing GHG emissions from our largest source: transportation.

To support these plans, additional IT resources are needed to create a more sustainable reporting platform to collect the additional fleet data and track our progress toward phasing out diesel use in Washington. Once the new system is developed, requested staff will extract the existing data from the original platform and convert to SQL format, which will improve data archiving and querying capabilities.

- **ZEV Compliance Tracking Platform:** When Ecology adopted the Clean Vehicles Program through rule (Chapter 173-423 WAC) in 2022 to align with California's latest rule, it accelerated the sales requirement for ZEVs and created multiple options for compliance credit generation and trading. While the sales requirement under the rule begins with model year 2025 vehicles, the rule allows automakers to earn early action credits to encourage the sale of ZEV vehicles prior to 2025. These credits can then be sold privately between automakers, which encourages the distribution and sale of ZEV vehicles within the state.

However, this credit trading between automakers also creates an increased need for compliance tracking to ensure the integrity of the ZEV credit market. Due to the increasing complexity of the ZEV program and the number of participating automakers, Ecology needs to develop and implement a secure IT system that will allow for the submission, storage, and validation of automaker compliance reports and credit-trading information.

- **Application Portal and Document Library:** In addition to the work identified above, the requested IT staff must also develop and implement an application portal and document library to interconnect the various IT applications and databases supporting the CPR Program's work, while providing a single, streamlined entry point for accessing these systems. Once the portal and document library are developed, all CPR IT systems will be accessed through a single-entry point, which will help reduce regulatory burden on reporters and verifiers, help ensure applications are secure, and achieve better synergy between complementary programs. See *Attachment A* for a visual representation of planned IT infrastructure supported by this request.

Communications and Rules

Along with IT, the CPR Program has significant needs in the areas of communications and rulemaking, not all of which were possible to anticipate at the time legislation was passed. The program currently has seven communications/outreach positions, and six rulemaking positions. This request will add three more communications positions and one rulemaking lead position to address current needs.

While the requested positions will provide support to the program overall, the immediate focus for these resources will be addressing existing gaps with ZEV and cap-and-invest program implementation. Since the ZEV program was established in 2020, Ecology has conducted two rulemakings to implement California motor vehicle emission standards in Washington. These rules will require major transitions in how Washingtonians get around, and additional outreach and communications resources are needed to help ensure successful implementation. Needs include better engagement with the regulated entities about Ecology's implementation of the ZEV regulations and more proactive communications to inform the public of about zero emissions technologies and how to incorporate them into everyday life.

The requested positions will allow the program to lead the transition to a zero-emissions transportation system in a transparent way, while ensuring the public is well informed and well prepared to realize maximum benefits of clean technology. These positions will also serve as leads to help the program meet the Healthy Environment for All (HEAL) Act requirements and environmental justice analysis and engagement throughout the clean transportation transition.

Along with these communication needs, rulemaking for the ZEV program has become significantly complex and controversial since the program started. The requested rules position is needed to track California rulemakings and determine which portions of those rules are applicable to Washington; monitor EPA's Clean Air Act waiver process, which allows Washington to implement California's rules; stay updated on related court proceedings; and evaluate which policy options available are most feasible and effective for Washington's unique transportation system.

Ecology is also requesting \$200,000 in one-time funding in fiscal year 2025 to contract for an independent economic cost-benefit analysis for implementing new California vehicle emission standards in Washington. Ecology did not do such an analysis when it adopted the Advanced Clean Cars II rule because, as a legislatively directed rulemaking, it was not required and because a similar analysis had already been completed for California.

However, we received many requests from stakeholders and the public for such an analysis and believe it would be beneficial to conduct one for future rulemakings. California recently implemented new rules requiring the transition of all trucking (the Advanced Clean Fleets rule) and transit (the Innovative Clean Transit rule) to zero emissions. Washington will likely be required to implement at least some components of these rules in the coming years, and stakeholder and the public would greatly benefit from a detailed economic analysis of the impacts.

Climate Commitment Act Implementation Group

The Climate Commitment Act Implementation Group (CCA IG) is tasked with implementing the state's cap-and-invest program and allowance auctions. As of July 1, 2023, CCA IG is funded at 37 FTEs and is organized into the following sections within the new CPR Program:

- Emissions Reporting and Verification
- Auctions and Market
- Cap-and-Invest Policy

As Ecology has continued to implement the new cap-and-invest program, we have identified several key areas where additional staff and contract resources are needed to ensure we are successful moving forward. To help determine the level of staff needed to effectively implement this program, Ecology reviewed and evaluated the size and structure of Quebec's carbon market program. Quebec's program provides a fair comparison to Washington because their population is larger (8.6 million versus 7.8 million), but their economy is smaller (\$385 billion Gross Domestic Product (GDP) versus \$725 billion GDP). Québec has lower overall GHG emissions (74 MMT CO₂e vs. 102 MMT CO₂e) and a lower cap on covered emissions (52.8 MMT CO₂e vs. 63 MMT CO₂e). Quebec's market has approximately 170 registered entities, and Washington will have 100-150 covered entities.

Québec has 53 total employees supporting its program, compared to Washington's 37 positions, and this request will add 10 new positions to bring Ecology's staffing more in alignment Québec's size. Requested staff will be added to the following sections within the CCA IG:

Emissions Reporting and Verification Section (11 current FTEs; requesting 1 additional FTE)

This section receives, reviews, and verifies GHG emission reports and data from approximately 270 entities, of which approximately 170 will be "covered entities" under the cap-and-invest program. This emissions data determines which entities are covered, what their compliance obligation is, and how many free allowances they may receive. The Reporting and Verification Section provides the data that is the foundation for the whole cap-and-invest program. In addition, this section is responsible for providing technical support to entities and compliance and enforcement as to violations of the law and rules pertaining to emissions reporting.

The Environmental Engineer position requested will work with the other engineers in the section on analyzing and verifying emissions reports. Based on the last year of implementation, we now estimate there will be at least 170 covered entities participating in the cap-and-invest program, and approximately 100 additional reporters.

We have also learned there is a high error rate among current reporters, which necessitates additional review, verification, and back-and-forth with those entities. For example, for current facilities, most of which have been reporting for years if not over a decade, over 50 percent of their reports contain inaccuracies. And, starting in 2024, we will begin taking compliance and enforcement actions for the first time. This will result in substantially more work for the engineers in this section.

Auctions and Market Section (11 current FTEs; requesting 2 additional FTEs)

This section oversees and runs the allowance auctions that will generate up to approximately \$1 billion dollars per year. These funds are being invested in initiatives to decarbonize transportation and other sectors of the economy, promote clean energy, and advance equity and environmental justice. This section is also responsible for market design and functioning, security and confidentiality of data, oversight and monitoring of the markets, entity support and technical assistance, and compliance and enforcement for market-related violations. This request supports one administrative assistant position and a Financial Examiner 4 position to serve as a Senior Market Monitor to assist with review of entities and corporate associations and to assist with compliance and enforcement.

Policy Section (11 current FTEs; requesting 4 additional FTEs)

This section includes the policy experts who not only work on developing policy, but also provide key support to the Auctions and Market Section and the Emissions Reporting and Verification Section. One of the positions requested is a new Environmental Planner 5 to serve as a carbon sequestration/capture expert. This is a significant and growing area in climate work that is getting substantial attention in other carbon markets. This subject matter requires expertise that Washington's program does not currently possess. The second is an Environmental Planner 4 who will serve as an offsets expert and help develop and refine needed protocols.

The other two positions requested are Environmental Planner project positions to manage design and implementation of two workgroups. The first project position will design, organize, and facilitate an Emissions Intensive Trade Exposed (EITE) advisory group required under RCW 70A.65.110(4)(a), which will help Ecology develop a report for the Legislature, due by December 1, 2026. The report will "describe alternative methods" of determining the compliance pathway and allocation of free allowances, to EITE entities.

The second project position will organize, manage, and facilitate two to three offset protocol workgroups at a time over a three-year period. This position will partner with offset expert staff to implement a workgroup structure that identifies experts, convenes the workgroups, and leads the workgroups to consensus on recommendations to Ecology for amendments to existing offset protocols and adoption of new protocols.

Contract Resources Needed

Along with these additional staff, this request includes funding needed for Ecology to contract with a variety of vendors for services needed to ensure successful ongoing implementation of the cap-and-invest program:

- **Open Access Technology International, Inc. (OATI) contract (\$10,000/year ongoing):** OATI is the only organization that tracks e-Tags for electricity sold on the grid. Ecology must work with OATI to attain that data, which is not available publicly and only available for purchase. This information is essential for validating electricity reporting by electric power entities. This will assist with accurate GHG emissions accounting that reduces reporting leakage, and therefore meets the fundamental program need to track and reduce emissions.

The power industry is constantly evolving. The instantaneous market sale of electric power comprises just a small portion of total power consumed. As electricity generation and consumption methods continue to evolve, so will the techniques used to track them. These tracking methods are essential to evaluating the impacts of GHG emissions leakage into other states, which we are constantly working to minimize and mitigate. Analysis of OATI data is just one of many methods to minimize leakage.

- **Public Outreach Support for Linkage Project (\$20,000/year in fiscal years 2025 and 2026):** As public and stakeholder interest peak and we approach the ending of the project; we will need a surge in outreach support leading up to public feedback that will be solicited. This outreach will occur in half of each year for fiscal years 2025 and 2026. We previously contracted for public outreach support during phase 1 of this project. Ecology received \$251,000 for fiscal year 2022 for professional services contracts to support that work, but that funding was reduced at carry forward level for 2023-25, consistent with our final fiscal note for E2SSB 5126. Moving forward, additional funding is needed to continue exploring Linkage during phase 2 of the project, which was not estimated in Ecology's final fiscal note, as we need to complete phase 1 first.
- **Outreach Support for EITE Advisory Group Development (\$20,000 in fiscal year 2025, \$15,000 in fiscal year 2026, and \$5,000 in fiscal year 2027):** To support the required EITE Advisory Group described above, Ecology needs contract support to assist with outreach to the public and stakeholders on the composition and scope of work for this advisory group.
- **Support for Facilitation of Offset Protocol Workgroups (\$40,000 in fiscal year 2025, \$30,000 in fiscal year 2026, and \$10,000 in fiscal year 2027):** To implement the Offset Protocol Works described above, Ecology needs facilitation support. After the CCA was enacted, Ecology had just 18 months to adopt four protocols that were first written and implemented in California. As we now look to begin the next rulemaking in September 2023 to modify the four protocols, these offset workgroups are needed to recommend changes to the protocols to modernize and adapt them to Washington.
- **Scientific Consultation for Offset Protocol Development (\$20,000 in fiscal year 2025, \$40,000 in fiscal year 2026, and \$30,000 in fiscal year 2027):** Ecology will be receiving input from experts in areas where Ecology is considering offset protocol adoption or revision. Ecology staff will need scientific expertise to help draw together workgroup recommendations into a cohesive set of proposals. Offset staff will work with the facilitator noted above and consultant scientists to develop proposals for adoption through rulemaking in fiscal years 2025 through 2027. Ecology identified the need for these contractual services in its final fiscal note for E2SSB 5126 (\$321,000 in 2021-23 and \$80,250 in fiscal year 2027).
- **Subscriptions (\$50,000/year ongoing):** Ongoing subscriptions are needed to better monitor the secondary market, including information services such as Bloomberg, and markets such as ICE and Nodal. Secondary markets are where allowances are resold between private parties. Ecology needs to track these transactions to ensure they are compliant with trading rules. The requested funding will allow access to supplemental tracking information that will aid Ecology in the prevention of collusion and market manipulation.

Impacts on Population Served:

This request addresses a compilation of needs from across the new CPR Program. The climate policies supported by this request are central to Washington's efforts to address climate change, protect the environment, and position us for success in the green economy. If successful, these programs will decarbonize our state's economy, reduce harmful air pollution, generate hundreds of millions of dollars for investment in climate programs, resiliency, and environmental justice, and cement Washington's place as a national and international leader on climate. This request is critical to the success of these programs, which provide benefits to all Washingtonians.

Revenues generated from the cap-and-invest program auctions are invested, in partnership with communities, in programs that further reduce greenhouse gas emissions, reduce air pollution in communities, and advance climate resilience. These investments will advance environmental justice by providing direct, measurable benefits to, and communities most burdened by climate change and air pollution.

Alternatives Explored:

One alternative explored was to reduce the size of this request, however, as is discussed below, doing so could result in delays or increase backlogs and add risk to our program implementation.

Consequences of Not Funding This Request:

Not funding this request could result in implementation delays, increased project backlogs, and add risk that some climate programs functions could possibly fail. For all the climate programs supported by this request, we have frequently used the analogy that we are building a plane before the design is final, and then beginning to fly it while construction is ongoing. Our staff have done a heroic job of implementing programs in the face of uncertainty and significant unanticipated needs, but as needs mount, their ability to continue successful implementation is questionable. Initial success has been achieved by making do with less, delaying some program features, and existing staff often taking on extra duties, but that is not a long-term strategy for success. Examples of consequences of not funding this request include:

- Continued strain on IT staff as they struggle to keep up with heavy demand for current and future IT tools. It will also mean that we will not have the capacity to update and enhance our tools to meet our customers' expectations and provide the functionality they need to operate efficiently. This will likely result in missed statutory or regulatory deadlines and potentially in Ecology being unable to fully implement certain program requirements.

- Some emissions reports will go unreviewed and unverified, important workgroups concerning EITEs and offsets will not be staffed, we will not be able to provide sufficient technical assistance or trainings to entities, and we will not be able to develop and post the content we need to post on the website.

Inability to review and vet entities applying to participate in auctions, inability to track electricity imports, and inability to provide facilitation or support to necessary CCA IG workgroups.

JUSTIFICATION FOR NEW OR INCREASED FEE REQUEST:

1. Fee Name: **Clean Fuels Program Fee**

2. Current Tax or Fee Rate:

FY 2024: \$2,101,000

FY 2025: \$2,700,000

3. Proposed Rate:

FY 2024: No Change

FY 2025: \$2,853,554

4. Incremental Change for Each Year:

FY 2024: No Change

FY 2025: \$153,554

5. Expected Implementation Date: 07/01/2024

6. Estimated Additional Revenue Generated by Increase:

FY 2024: No Change

FY 2025: \$153,554

7. Justification: The legislature directed the collection of a fee to support Clean Fuels Program costs. Per RCW 70A.535.130, this fee is intended to support program administration. The positions in this request support program-wide operations which include activities undertaken by the Clean Fuels Program. As such, these positions should be partially fee-supported.

8. Changes in Who Pays: N/A

9. Changes in Methodology: N/A

10. RecSum Code: PK

11. Alternatives: The alternative would be the use of GF-S or MTCA and would avoid usage of dedicated fees and program accounts that are intended to support these program operations.

12. Statutory Change Required? No

JUSTIFICATION FOR NEW OR INCREASED FEE REQUEST:

1. Fee Name: **Refrigerant Management Program Fee**

2. Current Tax or Fee Rate:

FY 2024: \$664,000

FY 2025: \$2,131,000

3. Proposed Rate:

FY 2024: No Change

FY 2025: \$2,217,174

4. Incremental Change for Each Year:

FY 2024: No Change

FY 2025: \$86,174

5. Expected Implementation Date: 07/01/2024

6. Estimated Additional Revenue Generated by Increase:

FY 2024: No Change

FY 2025: \$86,174

7. Justification: RCW 70A.60.030 directs Ecology to establish a refrigerant management program and authorizes the determination and assessment of annual fees to cover the direct and indirect costs of administering this program. The positions in this request support program-wide operations which include activities undertaken by the Refrigerant Management Program. As such, these positions should be partially fee-supported. Ecology is currently undergoing rulemaking to add a new section to WAC 173-455 to establish this fee as well as a process to update the fee to cover the costs of enforcing this program.

8. Changes in Who Pays: N/A

9. Changes in Methodology: N/A

10. RecSum Code: PK

11. Alternatives: The alternative would be the use of GF-S or MTCA and would avoid usage of dedicated fees and program accounts that are intended to support these program operations.

12. Statutory Change Required? No

JUSTIFICATION FOR NEW OR INCREASED FEE REQUEST:

1. Fee Name: **Greenhouse Gas Reporting Fee**

2. Current Tax or Fee Rate:

FY 2024: \$416,369

FY 2025: \$416,369

3. Proposed Rate:

FY 2024: No Change

FY 2025: \$457,977

4. Incremental Change for Each Year:

FY 2024: No Change

FY 2025: \$41,608

5. Expected Implementation Date: 07/01/2024

6. Estimated Additional Revenue Generated by Increase:

FY 2024: No Change

FY 2025: \$41,608

7. Justification: Per WAC 173-441-110, each facility in the program pays an equal share of the projected cost of the program. The positions in this request support program-wide operations which include Greenhouse Gas Reporting. As such, these positions should be partially fee-supported.

8. Changes in Who Pays: N/A

9. Changes in Methodology: N/A

10. RecSum Code: PK

11. Alternatives: The alternative would be the use of GF-S or MTCA and would avoid usage of dedicated fees and program accounts that are intended to support these program operations.

12. Statutory Change Required? No

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands Activity A063 – Climate Change Mitigation and Adaptation by adding staff and contract resources to ensure successful implementation of several climate policies enacted since 2019. Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is also in the agency’s Administration Activity A002 but is not shown in the totals below.

A063 – Climate Change Mitigation and Adaptation		
	2021-23	2023-25
FTEs Total	85.25	119.25
001-1 General Fund-State	\$28,524,000	\$2,860,000
216-1 Air Pollution Control	\$928,000	\$942,000
23P-1 Model Toxics Control Operating	\$3,316,000	\$2,738,000
25Q-1 Clean Fuels Program	\$348,000	\$4,510,000
25T-1 Refrigerant Emission Management-State		\$2,531,000
26B-1 Climate Investment	\$6,709,000	\$47,998,000
26C-1 Climate Commitment-State		\$686,000
TOTAL	\$39,824,000	\$62,265,000

Detailed Assumptions and Calculations:

Beginning July 1, 2024, and ongoing, Ecology requires salaries, benefits, and associated staff costs for seven additional IT positions to modernize existing IT systems, develop new ones, and interconnect them, as applicable, to address the increasing complexity of data management and reporting requirements associated with these laws, while providing a more user-friendly access point for both internal and external users of these systems. Requested FTEs include:

- 4.0 FTE IT App Development - Journey
- 1.0 FTE IT Business Analyst – Journey
- 1.0 FTE IT Data Management – Journey
- 1.0 FTE IT Project Management – Journey

Beginning July 1, 2024, and ongoing, Ecology also requires salaries, benefits, and associated staff costs for three additional communications positions and a rules lead.

- 1.0 FTE Communication Consultant 4: To write press releases, blogs, and social media posts, serve as a spokesperson to the media, assist with responses to public inquiries, produce infographics and guidance documents, and coordinate messaging and media activities with other agencies.
- 1.0 FTE Community Outreach Environmental Education Specialist (COEES) 4 and 1.0 FTE COEES3: To conduct outreach and implementation support and covered entity education and training for the ZEV and CCA IG programs. These positions will develop materials to communicate about the climate programs managed by Ecology with a range of stakeholder communities and the public.
- 1.0 FTE Environmental Planner 4: To track California rulemakings and determine which portions of those rules are applicable to Washington, monitor EPA’s Clean Air Act waiver process, which allows Washington to implement California’s rules, stay updated on related court proceedings, and evaluate which policy options available are most feasible and effective for Washington’s unique transportation system.

Beginning July 1, 2024, and ongoing, Ecology also requires salaries, benefits, and associated staff costs for the following positions to ensure successful implementation of the cap-and-invest program:

- 1.0 FTE Financial Examiner 4: CCA IG Senior Market Monitor
- 1.0 FTE Environmental Engineer 2: CCA IG Emissions Verification
- 2.0 FTE Environmental Planner 4 (project positions through fiscal year 2027): CCA IG EITEs and Offset Protocols
- 1.0 FTE Environmental Planner 5: CCA IG Carbon Sequestration and Capture Expert
- 1.0 FTE Environmental Planner 4: CCA IG Offsets Expert
- 1.0 FTE Administrative Assistant 3: CCA IG Auctions and Markets Section Admin Support

In addition to these staffing resources, Ecology also requires a mix of ongoing and limited-duration funding for contracts relating to program support, facilitation, and scientific consultation. These costs are shown in Objects E and C.

Workforce Assumptions:

Expenditures by Object	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A Salaries and Wages	1,734,701	1,734,701	1,686,876	1,543,401	1,543,401	
B Employee Benefits	624,491	624,491	607,274	555,623	555,623	
C Personal Service Contract	230,000	50,000	40,000	10,000	10,000	
E Goods and Services	224,032	209,032	156,420	133,584	133,584	
G Travel	28,134	28,134	27,353	25,008	25,008	
J Capital Outlays	18,558	18,558	18,043	16,496	16,496	
T Intra-Agency Reimbursements	703,041	703,041	683,659	625,511	625,511	
Total Objects	3,562,957	3,367,957	3,219,625	2,909,623	2,909,623	

Staffing		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
Job Class	Salary						
ENVIRONMENTAL ENGINEER 2	91,073	1.00	1.00	1.00	1.00	1.00	1.00
FINANCIAL EXAMINER 4	113,710	1.00	1.00	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT 3	54,194	1.00	1.00	1.00	1.00	1.00	1.00
ENVIRONMENTAL PLANNER 4	95,650	4.00	4.00	3.50	2.00	2.00	
ENVIRONMENTAL PLANNER 5	105,612	1.00	1.00	1.00	1.00	1.00	1.00
IT BUSINESS ANALYST-JOURNEY	107,154	1.00	1.00	1.00	1.00	1.00	1.00
IT DATA MANAGEMENT-JOURNEY	112,540	1.00	1.00	1.00	1.00	1.00	1.00
IT PROJECT MANAGEMENT-JOURNEY	112,540	1.00	1.00	1.00	1.00	1.00	1.00
IT APP DEVELOPMENT-JOURNEY	107,154	4.00	4.00	4.00	4.00	4.00	4.00
COMMUNICATIONS CONSULTANT 4	80,469	1.00	1.00	1.00	1.00	1.00	1.00
COMM OUTRCH & ENVIRO ED SPEC 4	78,476	1.00	1.00	1.00	1.00	1.00	1.00
COMM OUTRCH & ENVIRO ED SPEC 3	67,717	1.00	1.00	1.00	1.00	1.00	1.00
FISCAL ANALYST 2		1.80	1.80	1.75	1.60	1.60	1.60
IT APP DEVELOPMENT-JOURNEY		0.90	0.90	0.88	0.80	0.80	0.80
Total FTEs		20.70	20.70	20.13	18.40	18.40	

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Contracts are included at \$230,000 in FY25, \$50,000 in FY26, \$40,000 in FY27, and \$10,000 in FY28 and ongoing.

Goods and Services is the agency average of \$5,224 per direct program FTE in each year. Also included is funding for public outreach, facilitation, and subscription services, totaling \$130,000 in FY25, \$115,000 in FY26, \$65,000 in FY27, and \$50,000 in FY28 and ongoing.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving the following Ecology goals:

- Goal 2 (reduce and prepare for climate impacts) because of the reasons explained above. In addition, the Cap-and-Invest Program will generate hundreds of millions of dollars each year for necessary investments in clean energy, decarbonizing transportation, and other sectors of the economy, building resilience to climate change, and in advancing equity and environmental justice.
- Goal 3 (prevent and reduce toxic threats and pollution) because of the reasons explained above.

This request is essential to achieving the following Governor's Results Washington goals:

- Goal 3 (sustainable energy and clean environment) because the climate programs contained within CPRP are essential to addressing the climate crisis and achieving the state's emissions reduction mandates.
- Goal 4 (healthy and safe communities) because these programs will also reduce criteria and toxic air pollution.
- Goal 2 (prosperous economy) because the Climate Commitment Act and the Clean Fuel Standard are designed to spur the development of the green economy in Washington.

Performance Outcomes:

The outcome of this request will be to improve implementation of climate policies designed to reduce greenhouse gas emissions, which is likely to result in either greater emissions reductions or emissions reductions sooner, both of which are beneficial for the climate.

Equity Impacts

Community outreach and engagement:

We have not conducted outreach or engagement as to the development of this budget request.

Disproportional Impact Considerations:

This request is for internal staffing to support critical climate programs in the state. There are no anticipated disproportionate impacts related to this request.

Target Populations or Communities:

The CCA requires Ecology to conduct environmental justice assessments to ensure that the funds and programs created, including the cap-and-invest program, provide direct and meaningful benefits to vulnerable populations and overburdened communities. Similarly, the Clean Fuel Standard, HFC Program, and ZEV Program all reduce emissions of greenhouse gases and criteria and toxic air pollutants, which will lessen Washington's contribution to global climate change, which disproportionately affects overburdened communities and vulnerable populations. Reducing criteria and toxic air pollution improves air quality and public health, with the greatest improvements in the near-road and near-port communities that are currently most impacted by poor air quality.

This request will provide Ecology with the ability to make equitable determinations regarding allocation of allowances to EITEs. Per RCW 70A.65.110(2), Ecology is required to consider the locations of facilities potentially identified as EITE entities relative to overburdened communities. The additional staff capacity identified in this request is important to ensure Ecology can perform these analyses and determinations. RCW 71A.65.170 also includes restrictions for how much of a covered or opt-in entity's compliance obligation may be met by transferring offset credits in the cap-and-invest program. This statute directs that Ecology, in consultation with the EJ Council, may determine changes in limits for specific entities based on contributions to cumulative air pollution burden in an overburdened community, violations of any permits, or projects on federally recognized Tribal land. To make the determination, the cap-and-invest program will need to be fully staffed to oversee these requirements in their entirety.

Other Collateral Connections

Puget Sound Recovery:

This request supports Puget Sound Action Agenda implementation through Ongoing Program: OGP_ECY32 - Air - Reducing Diesel, GHG, and Toxic Emissions and the following Vital Signs, Strategies, Desired Outcomes, and Actions included in the 2022-2026 Puget Sound Action Agenda:

Vital Signs

- Air Quality

Strategies

- 19. GHG Reductions and Carbon Sequestration
- 26. Human Health

Desired Outcomes

- 4.2.1. Human-caused greenhouse gas emissions in Washington State reduced 95% below 2005 levels by 2050.
- 4.2.2. Carbon sequestered in Puget Sound forests, kelp, soils, and other significant means increased.
- 5.6.1. Levels and patterns of air pollution do not threaten Puget Sound communities or sensitive populations with adverse health outcomes.

Actions

- 136. Develop and implement plans, regulations, and incentives to reduce greenhouse gas emissions from all sources, especially primary emitting sources (those that account for more than 16 percent of emissions) including land use and transportation; electricity; residential, commercial, and industrial building; and heating.
- 138. Monitor, evaluate, and assess the effectiveness of greenhouse gas emission reduction programs and projects.
- 140. Develop, expand, and improve financial and technical incentive programs that protect, promote, and support carbon sequestration and emissions reduction.
- 141. Increase and ensure institutional infrastructure and funding for research and monitoring to explore, track, and evaluate the efficacy and feasibility of carbon sequestration and emissions reduction.
- 144. Implement and improve emissions accounting tools and inventories at the local, regional, state, and tribal nations levels.

This request also supports efforts under the Governors' Executive Order 1802, Southern Resident Orca Recovery and Task Force through the following recommendation: 43. Take aggressive, comprehensive, and sustained action to reduce human-caused greenhouse gas emissions, with the goal of achieving net zero emissions by 2050.

State Workforce Impacts:

N/A

Intergovernmental:

Because this proposal only adds implementation resources to support existing policies, it will not have significant intergovernmental impacts.

Stakeholder Response:

Ecology's climate programs have a wide range of stakeholders, including regulated entities (fossil fuel companies, large manufacturers, large research facilities, etc.), environmental groups, the agricultural sector, industry associations, and the public. These groups' perspectives on our climate programs vary widely, however, most stakeholders, including those that oppose the underlying policies, are most likely supportive of improvements in implementation.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Climate Pollution Reduction-Attachment A.pdf](#)
[Climate Pollution Reduction-HEAL Attachment.pdf](#)
[Climate Pollution Reduction-IT Addendum.docx](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

Objects of Expenditure

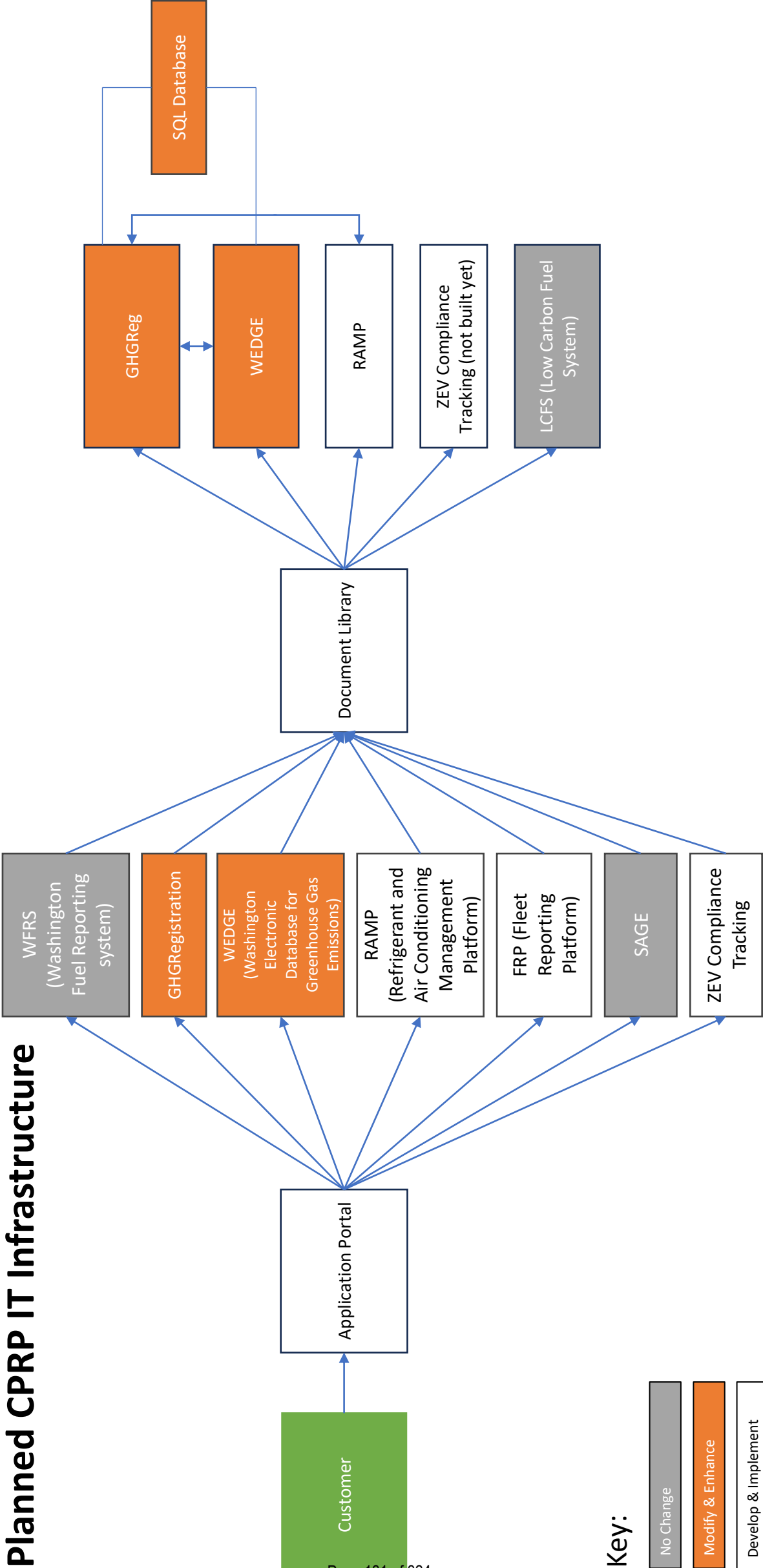
Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$1,735	\$1,735	\$1,735	\$1,687	\$3,422
Obj. B	\$0	\$624	\$624	\$624	\$607	\$1,231
Obj. C	\$0	\$230	\$230	\$50	\$40	\$90
Obj. E	\$0	\$224	\$224	\$209	\$157	\$366
Obj. G	\$0	\$28	\$28	\$28	\$27	\$55
Obj. J	\$0	\$19	\$19	\$19	\$18	\$37
Obj. T	\$0	\$703	\$703	\$703	\$684	\$1,387

Agency Contact Information

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Attachment A: Planned CPRP IT Infrastructure

Databases



Climate Pollution Reduction 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**Climate Pollution Reduction
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

This proposal for internal staffing and capacity supports all of the work of the Climate Pollution Reduction Program, which is a statewide initiative benefiting all Washingtonians. There are no anticipated disproportionate impact considerations related to this request.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

This proposal will not have any significant impacts on Indian tribes' rights and interest in their tribal lands. Although there has been discourse between the state and Tribes over some of the policies discussed in this proposal, this proposal does not alter those policies, rather, it helps ensure their implementation is adequately resourced.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

This request is for internal staffing to implement critical climate programs in the state. We did not engage with Tribes in developing this proposal.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

2023-25 IT ADDENDUM

Only use this addendum if your decision package includes IT costs

Part 1: Itemized IT costs

Complete the [2023-25 IT Fiscal Estimate Workbook](#) imbedded below. This workbook will identify the IT portion of the decision package.

In the workbook, agencies must itemize all IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff as required in ESSB 5693 Sec. 150(4)(a)(i-ix).

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ITaddendum2023-25.

xlsx

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Part 2: Questions about facial recognition and supporting the reuse of existing state resources

- A. Will this investment renew or procure a facial recognition service? ☐ Yes ☒ No
- B. Does this investment provide for acquisition of, or enhancement to, an administrative or financial system as required by [technology policy 122 - administrative and financial system investment approval](#)? ☐ Yes ☒ No
- C. If **Yes** to question B, has this decision package obtained OCIO and OFM Administrative and Financial System review approval? ☐ Yes ☐ No
- o If **Yes**, attach the approval letter.
 - o If **No**, the decision package should not be submitted. Recommendation will be “Do Not Fund.”
- D. For DCYF, DOH, DSHS, HCA and the Washington Health Benefit Exchange only: Has this project been screened for inclusion in the HHS Coalition portfolio? ☐ Yes ☐ No
- E. Does this decision package support the adoption of modern, cloud-based technologies? ☒ Yes ☐ No

Part 3: Maintenance level decision packages

The questions in Part 3 are for **Maintenance level** decision packages and need to be answered. (If this is a policy-level decision package, skip Part 3 questions and respond to all questions in Part 4 and Part 5.)

- A. Is this renewal for an existing software or subscription? ☐ Yes ☐ No
- B. Does this continue a current maintenance contract? ☐ Yes ☐ No

C. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☐ No

If **Yes**, where is the hardware solution hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

D. Is this a routine, planned replacement of aging hardware or equipment? ☐ Yes ☐ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

E. Has the agency performed research to determine if a modern cloud solution is available for this maintenance investment? ☐ Yes ☐ No

Part 4: Policy level decision packages

The questions in Part 4 are general questions for **policy-level** decision packages.

A. Type of Investment - Identify the decision package investment classification from the following list:

- ☐ Addresses technical debt.
- ☐ Cloud advancement.
- ☐ Continues existing project.
- ☐ Critical hardware upgrade.
- ☒ Improves existing service.
- ☒ Introduces new capabilities.
- ☒ System modernization.

B. Does this decision package fund the acquisition, development, enhancement, or replacement of a new or existing software solution? ☒ Yes ☐ No

If **Yes**, where will the software solution be hosted? ☒ State Data Center
☐ External Cloud
☐ Other location.

C. Do you expect this solution to exchange information with the state financial system (AFRS) or the OneWA solution (WorkDay)? ☐ Yes ☒ No

D. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☒ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center

☐ External Cloud

☐ Other location.

E. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [Technology policy 121.](#)) ☐ Yes ☒ No

If Yes, name the project:

(Project name published on the [IT Dashboard](#))

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Part 5: IT investment prioritization and scoring questions

All policy level decision packages must provide a response to the following questions. Responses will be evaluated and ranked by the OCIO as required by [RCW 43.88.092](#). The criteria scoring scale being used by the OCIO to evaluate and rank decision packages is available on the OCIO [Decision Package Prioritization](#) website. See [23-25 Decision Package Prioritization Criteria](#).

Agency Readiness

Due diligence. Summarize the research, feasibility or due diligence work completed to support this decision package. Attach a copy of the feasibility study or other documentation of due diligence to the decision package.

We developed the IT requests in this decision package with input from Air Quality IT and ITSO managers, who recommended staffing levels sufficient to carry out the list of IT projects described.

Governance and management. What governance processes will support this project? Examples of governance processes include appropriately placed executive sponsor, representative steering committee, resourced vendor/contract management, change control, and incorporating stakeholder feedback into decision making processes. Provide examples of how your proposed budget includes adequate funding and planning for governance processes, if applicable.

All projects would be governed through accepted and common Ecology IT project management approaches. Typically, governance would be achieved through an Agile framework defined by a project charter unique to each project. Charters would identify an executive sponsor, a representative steering committee, change control processes. Adequate governance will be assured through having robust project management and business analysis processes in place as defined by each project charter. Resources identified in this decision package would ensure adequate governance of known IT projects to support the Climate Pollution Reduction Program.

Planning and readiness. Describe how your agency will resource the implementation of this investment request. Will in-house resources be used, or will resources be acquired? How has organizational change management been factored into planning and approach? Does the investment require a project management approach to be used? Describe whether project and organizational change management resources are included in this request or will be provided by in-kind resources. Describe whether the proposed budget includes costs associated with independent quality assurance.

We will recruit, hire, and onboard new staff to carry out the work described. This work will be led by the Climate Pollution Reduction Program (CPRP) IT Section Manager, with support from the CPRP Manager. Each project will use the project management framework chosen by the CPRP IT Section Manager for the section's work.

Technical alignment

Strategic and technical alignment. Using specific examples, describe how this investment aligns with strategic and technical elements of the [Enterprise Technology Strategic Plan](#). Examples of strategic principles that tie back to tenets of the strategic plan include, but are not limited to, advance digital government, support use of common and shared technologies across agencies, improve the Washington customer experience across digital channels, strengthen privacy capacity in state and local government. Examples of technical principles that tie back to tenets of the strategic plan include but are not limited to; adoption of modern cloud-hosted technologies, provide proactive cybersecurity capabilities, reduce technical debt, expand integration between systems.

Reuse and interoperability. Does the proposed solution support interoperability and/or interfaces of existing systems within the state? Does this proposal reuse an existing solution or existing components of a solution already in use elsewhere in the state? If the solution is a new proposal, will it allow for such principles in the future? Provide specific examples.

The projects described in this proposal are scoped to maximize interoperability and reuse wherever possible. Multiple climate regulatory programs interact with the same companies and entities and we aim to develop shared registration databases and portals wherever possible to minimize regulatory on entities and maximize data visibility across regulatory programs.

Business alignment

Business driven technology. What are the business problems to be addressed by the proposed investment? These business problems should provide the basis for the outcome discussion below. Describe how end users (internal and external) will be involved in governance and implementation activities.

Information Technology (IT) Staffing

Each of the climate laws supported by this budget request rely heavily on IT tools and systems for implementation, including supporting functions such as registering regulated entities, collecting data reports, trading compliance instruments, demonstrating compliance, storing, and analyzing data, and supporting compliance efforts. As these laws were passed by the Legislature, Ecology was funded in each respective budget for what we estimated the IT needs would be to support each new initiative, consistent with our final fiscal notes for each bill. However, developing and implementing the actual IT solutions has been more resource-intensive than originally estimated, and we have identified several unanticipated needs that will require additional IT resources moving forward.

Ecology's new Climate Pollution Reduction Program currently has a total of seven direct FTEs supporting its suite of IT systems. Of those seven, 5.6 are focused primarily on implementing the CCA and its cap-and-invest program, consistent with Ecology final fiscal note for E2SSB 5126. However, moving forward, Ecology needs additional IT staff to modernize the existing IT systems, develop new ones, and interconnect them to address the increasing complexity of data management and reporting

requirements associated with these laws and provide a more user-friendly access point for both internal and external users.

Ecology is requesting seven new IT FTEs – below is a summary of systems and associated work these positions will support:

- **Greenhouse Gas Registration (GHGReg) Platform and Washington Electronic Database for Greenhouse Gas Emissions (WEDGE):** These applications are used by entities required to report GHG emissions data to Ecology under Chapter 173-441 WAC. All applicable emitters with more than 10,000 metric tons of CO₂ equivalent emissions per year must register and report data, and entities with more than 25,000 metric tons of covered emissions must also participate in the cap-and-invest program and obtain allowances to cover their emissions. These two IT applications were last updated in December 2022 to provide an online registration tool for reporters, and the associated databases were expanded to allow the submission of the additional reporting required for facilities, fuel suppliers, and electric power entities (EPEs). Moving forward, additional resources are needed to 1) continue building out these applications as the cap-and-invest program matures; 2) support timely resolution of system issues encountered by reporters; and 3) ensure the applications and associated databases meet requirements under OCIO policy 188.10 – for Minimum Accessibility Standards.
- **Conversion of Legacy Access Database:** Data that underlies the cap-and-invest program auctions is currently housed in a legacy Access database. This includes exported data from GHGReg for facilities, as well as fuel supplier emissions data from WEDGE. This data is aggregated, analyzed for accuracy, and used for compliance and allowance calculation requirements. However, Microsoft Access is no longer standard agency software and will eventually become unsupported. Accurate and secure data is the foundation of the cap-and-invest program. Without complete and accurate emissions data, we cannot determine an entity's compliance obligation, how many allowances they may need to obtain, how many no-cost allowances they may be entitled to, and other key aspects of the program.

Ecology is using one-time vacancy savings in fiscal year 2024 to contract with a vendor to migrate the existing database from Access to SQL and ensure we can meet our immediate needs associated with holding the auctions under the cap-and-invest program each quarter. The migration is expected to be complete by the start of fiscal year 2025 and, moving forward, the IT positions supported by this request will assume ongoing management of the SQL database.

In addition to ensuring information reported by facilities through GHGReg is securely stored in the new database and available for analysis, these new staff will integrate data reported by EPEs and third-party verifiers. Ecology currently relies on submitted Excel reporting tools to collect this data; but migrating this data into the new SQL database will improve data accuracy and interconnectivity with the registration and facility emissions data also stored there. This includes the following data:

Electric Power Entity Data

To verify the GHG emissions of EPEs, we need to expand our database capabilities, beyond the changes already made in 2022, to capture reported data and establish emission factors to calculate GHG emissions based on the import and export of power across state lines. This will enable Ecology to ensure that EPEs are properly participating in the cap-and-invest program.

Third-Party Verification Data

This data is used to track information for individuals and entities certified to serve as third-party verifiers for the cap-and-invest program. Some of this data is stored within the GHGReg, but that application does not allow for storing certain critical data elements, including conflict of interest data provided by the verifiers. Moving this data and maintaining it in the new SQL database will improve Ecology's ability to track this information, and help limit conflicts between GHG reporters and verifiers.

Moving forward, as changes continue to occur in how GHG emissions are reported, both through the U.S. Environmental Protection Agency (EPA) and/or state law/rule updates, the code behind the converted database and associated reporting applications will need to be updated to ensure they remain functional.

In addition to improving and maintaining the existing systems above that support the cap-and-invest program, staff resources are also needed develop and support several new IT solutions that were not identified at the time these climate policy bills were enacted. The IT staff identified in this request will also support these new systems, which include:

- **Refrigerant Management Program – Inspection Tracking:** When E2SHB 1050 passed in 2021 and required Ecology to establish a refrigerant management program (RMP) to address refrigerant emissions from large air conditioning and refrigeration equipment, our final fiscal note identified IT resources needed to develop a tool for regulated entities to register for the program and report compliance data. However, the fiscal note did not identify resources needed to develop a tool to track inspection data because we did not have information at that time on the number of covered refrigeration systems in the state that might need to be inspected.

Since then, Ecology has completed the following report, required by the bill (<https://apps.ecology.wa.gov/publications/SummaryPages/2302003.html>), which estimates there may be more than 72,000 businesses across the state with equipment covered under the RMP. Based on the number of entities that will need to be inspected to ensure compliance, Ecology needs to develop and implement an efficient IT solution to track inspections and store related data.

- **ZEV Fleet Reporting Platform:** In 2022, Ecology adopted WAC 173-423-083, which requires all owners of heavy-duty fleets of five or more vehicles across the state to report information about their 2022 vehicle operations to Ecology by September 30, 2023. To collect this information, Ecology developed a rudimentary reporting platform that will be used to meet the reporting requirement a single time. However, based on feedback received during public stakeholder meetings, Ecology has committed to reporting on data received for heavy-duty fleets for calendar year 2023, and there is interest in expanding this reporting on an ongoing periodic basis.

To support these plans, additional IT resources are needed to create a more sustainable reporting platform to collect the additional fleet data and track our progress toward phasing out diesel use in Washington. Once the new system is developed, requested staff will extract the existing data from the original platform and convert to SQL format, which will improve data archiving and querying capabilities.

- **ZEV Compliance Tracking Platform:** When Ecology adopted the Clean Vehicles Program through rule (Chapter 173-423 WAC) in 2022 to align with California’s latest rule, it accelerated the sales requirement for ZEVs and created multiple options for compliance credit generation and trading. While the sales requirement under the rule begins with model year 2025 vehicles, the rule allows automakers to earn early action credits to encourage the sale of ZEV vehicles prior to 2025. These credits can then be sold privately between automakers, which encourages the distribution and sale of ZEV vehicles within the state.

However, this credit trading between automakers also creates an increased need for compliance tracking to ensure the integrity of the ZEV credit market. Due to the increasing complexity of the ZEV program and the number of participating automakers, Ecology needs to develop and implement a secure IT system that will allow for the submission, storage, and validation of automaker compliance reports and credit-trading information.

- **Application Portal and Data Dictionary:** In addition to the work identified above, the requested IT staff must also develop and implement an application portal and data dictionary to interconnect the various IT applications and databases supporting the CPR Program’s work, while providing a single, streamlined entry point for accessing these systems. Once the portal and data dictionary are developed, all CPR IT systems will be accessed through a single-entry point, which will help reduce regulatory burden on reporters and verifiers, help ensure applications are secure, and achieve better synergy between complementary programs. See *Attachment A* for a visual representation of planned IT infrastructure supported by this request.



Measurable business outcome. Describe and quantify the specific performance outcomes you expect from this funding request. Provide specific examples of business outcomes in use within your agency, and how those outcomes will be improved because of this technology investment. Does the response align with the measurable business outcomes identified in the Strategic and Performance Outcomes in [Chapter 2](#) of the 2023-25 budget instructions? What outcomes and results, either positive or negative will occur? Identify all Lean initiatives and their expected outcomes. Include incremental performance metrics.

The business outcomes of the IT projects outlined in this proposal will be the successful implementation and continued operation of climate regulatory programs including cap and invest, the clean fuel standard, and the hydrofluorocarbon reduction program.

Decision package urgency

During the evaluation and ranking process, the OCIO will take into consideration, the urgency of the decision package request. Describe the urgency of implementing the technology investment in this cycle and the impacts to business if it does not proceed as planned.

The continued success of these regulatory programs, which are some of the Governor’s signature accomplishments, depends in part on the staffing requested in this package. Without staffing to carry out these IT projects, parts of these programs will need to be delayed and scaled back, creating significant risk of ineffectiveness and failure.

Department of Ecology
2024 Supplemental Operating Budget
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Agency Recommendation Summary

RCW 69.50.348 requires Ecology to begin accrediting the state's cannabis-testing laboratories July 1, 2024. However, Ecology's base funding from the Dedicated Cannabis Account was removed through a maintenance-level reduction in the 2023-25 operating budget. This request provides funding needed for Ecology to establish and maintain an accreditation program to determine whether laboratories can produce accurate and defensible analytical data. (Dedicated Cannabis Account)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	4.6	2.3	4.6	2.6	3.6
Operating Expenditures						
Fund 315 - 1	\$0	\$782	\$782	\$782	\$438	\$1,220
Total Expenditures	\$0	\$782	\$782	\$782	\$438	\$1,220
Revenue						
315 - 0299	\$0	\$498	\$498	\$498	\$498	\$996
Total Revenue	\$0	\$498	\$498	\$498	\$498	\$996

Decision Package Description

Background:

Cannabis was legalized in Washington State by a citizen's initiative in 2012, which resulted in the availability of cannabis products throughout the state. In 2013, the Legislature adopted RCW 69.50.345 which, in part, required the Washington State Liquor and Cannabis Board (WSLCB) to consult with Department of Health (DOH) and Department of Agriculture (WSDA) to develop accreditation requirements for laboratories testing cannabis products. However, because cannabis is not legal federally, there are no federal laboratory quality standards or mandated testing methods, like those that exist for drinking water, soil, and similar products. This can leave cannabis producers, retailers, and consumers missing an extra layer of quality assurance.

To begin to address these issues, WSLCB adopted certification and accreditation requirements by rule (WAC 315-55-0995) in 2017, which required all cannabis products sold in the state be tested for harmful substances and potency at an accredited laboratory. Accreditation of laboratories is a quality control measure used in ensuring that laboratory data is dependable. It requires the evaluation of a lab's quality system, staff, facilities and equipment, test methods, records, and reports. The testing of cannabis products by accredited laboratories provides confidence that the products are properly evaluated, resulting in safe consumer products.

Cannabis Science Task Force

In 2018, the Legislature directed Ecology to research and develop recommendations for protocols and accreditation standards to improve cannabis laboratory accreditation (<https://apps.ecology.wa.gov/publications/SummaryPages/1903004.html>). The recommendations, which were derived from Ecology's environmental laboratory accreditation program, not only advised on development and adoption of new standards and validation protocols, but also outlined steps needed for implementation.

Following that report, in 2019 the Legislature amended RCW 69.50.348 to establish the Cannabis Science Task Force, which was comprised of a group of professionals with expertise in chemistry, laboratory quality assurance and quality control, and state government policy. The task force's goal was to provide a solid framework for credible cannabis laboratory accreditation in the future, and it included participants from WSDA, DOH, Ecology, WSLCB, and cannabis testing laboratories.

In June 2020, the task force made recommendations to the Legislature regarding the use of pesticides (<https://apps.ecology.wa.gov/publications/SummaryPages/2003005.html>), which included:

- The use of existing agricultural method validation protocols and method performance measures developed by the U.S. Department of Agriculture, adapted to cannabis plants and products.
- The establishment of an interagency cooperative team staffed by WSLCB, WSDA, and DOH to maintain adopted protocols and provide technical assistance to cannabis laboratories.
- Regulatory updates which can facilitate the recommendations.

A second report (<https://apps.ecology.wa.gov/publications/SummaryPages/2103003.html>), released December 2021, provided recommendations for additional laboratory quality standards covering potency, heavy metals, and residual solvents. Other recommendations addressed an Interagency Cooperative Team (ICT) and its roles and responsibilities for initial and ongoing oversight and guidance for adopting laboratory quality standards and an in-state Cannabis Matrix Proficiency Testing Program.

Current Accreditation-Related Activities

To ensure consumers are purchasing products that meet required quality standards, the WSLCB and DOH currently oversee the testing of cannabis products at accredited private cannabis laboratories. There are currently eight accredited testing labs in Washington, and WSLCB performs accreditation using a third-party auditor (RJ Lee Group, Inc.), which is based on proficiency testing criteria and process adopted in WAC 314-55-1025. Unfortunately, accreditation is only as strong as the standards and quality system in place for laboratories to follow. This current system provides only a cursory evaluation of a laboratory's processes, which allows cannabis laboratories to create their own proprietary analysis methods and use their own quality control measures.

Per RCW 69.50.348, oversight of cannabis laboratory accreditation is scheduled to transfer to Ecology on July 1, 2024. Ecology was chosen by the Legislature because of its already robust environmental laboratory accreditation work and reputation. Ecology's laboratory accreditation unit currently works with more than 500 laboratories across the state and other states, providing initial and continuing accreditation. Unit staff also provide technical support to assist both environmental and drinking water laboratories in meeting the accreditation requirements.

Based on recommendations from the Cannabis Science Task Force, in 2022, the Legislature passed House Bill 1859, which created the ICT, and directed WSDA develop rules on new laboratory quality standards. Moving forward, Ecology will accredit cannabis laboratories based on the standards that WSDA adopts in rule, which is expected to occur this spring.

Ecology Rulemaking

In preparation for the transfer of accreditation oversight from WSLCB to Ecology on July 1, 2024, Ecology is conducting rulemaking (Chapter 173-055 WAC) to create an Ecology cannabis laboratory accreditation program. This new rule will define the cannabis laboratory accreditation program's standards, scope, and fee structure. Ecology filed the CR-101 on June 21, 2023, and has held several public workshops this summer, along with an informal comment period (July 25, 2023-August 25, 2023), to gather feedback from stakeholders, labs, and the public on the proposed rule. More information on this current rulemaking can be found here: <https://ecology.wa.gov/Regulations-Permits/Laws-rules-rulemaking/Rulemaking/WAC-173-55>.

Problem:

While under current law, Ecology is slated to take over cannabis laboratory accreditation starting in fiscal year 2024, the agency does not have funding to support this new role. In the 2019-21 operating budget, Ecology was appropriated \$929,000 from the Dedicated Marijuana Account (now Dedicated Cannabis Account) to lead and participate in the Cannabis Science Task Force. The funding was also used to support the participation from other task force members through inter-agency agreements, and complete the first of the two legislative reports produced by the task force.

In 2022, the Legislature passed Engrossed Second Substitute Senate Bill 5796, which restructured cannabis revenue appropriations, and set specific appropriation levels for several agencies for the 2019-21 and 2021-23 biennia. As a result of E2SSB 5796, Ecology's appropriation level was reduced to \$270,000 for fiscal year 2022 and \$290,000 for fiscal year 2023 for implementation of an accreditation program. Ecology used these funds to finish the work of the task force, including the second legislative report, and begin the rulemaking process currently underway.

Unfortunately, because E2SSB 5796 only identified appropriation levels through the 2021-23, biennium, the 2023-25 operating budget included a maintenance-level reduction for Ecology, and other agencies (Washington State Patrol, DOH, and WSDA), which, for Ecology removed our entire appropriation from the Dedicated Cannabis Account. Without funding, Ecology will be unable to meet the current statutory requirement to implement a cannabis laboratory accreditation program starting in fiscal year 2025.

Proposed Solution:

To address this need, Ecology is requesting funding to hire staff to support accreditation activities, beginning July 1, 2024. These request staff will be responsible for:

- Auditing labs to ensure proper protocols and standards are being followed.
- Providing technical assistance to laboratories seeking accreditation for testing cannabis.
- Designing, developing, operating, and maintaining a database to house information on cannabis-testing laboratories and their scopes of accreditation.
- Other activities necessary to accredit laboratories applying for accreditation.

Ecology's planned accreditation program will evaluate and audit all aspects of a cannabis laboratory's process to analyze and report results. This will include sample receipt, security/control, preservation, documentation/records, quality assurance/quality control, standard operating procedures, analytical measurements, equipment maintenance, calculations, reporting, and evaluating proficiency testing results. After initial accreditation, laboratories will be re-accredited annually, which will repeat the process of evaluating and auditing the labs.

Cannabis is a complex and difficult matrix to analyze, and the existing laboratories in Washington have implemented unique analysis methods

because standardized ones have not existed. It is anticipated that these labs will need substantial and ongoing technical assistance to adjust to the standardized methods that WSDA is currently putting into rule, and maintain that level of recognized competency moving forward. This request will enable Ecology to hire staff with expertise about the complexities and challenges of cannabis testing, which will help them identify and work with the labs correct problems.

Please note: Ecology is aware that WSDA is planning to submit agency request legislation that would amend RCW 69.50.348 and transfer the responsibility for accreditation of cannabis testing labs from Ecology to themselves. Ecology is supportive of WSDA's request legislation, and if passed by the Legislature, this Decision Package would not be necessary. However, until such time that the Legislature makes that decision, Ecology needs to be ready and resourced to assume the responsibility for overseeing cannabis laboratory accreditation beginning July 1, 2024.

Impacts on Population Served:

Laboratories accredited by Ecology will have demonstrated ability to provide accurate, defensible data to ensure the potency of cannabis products is known and cannabis products are safe to consume (i.e., free of contamination from pesticide residues, residual solvents, heavy metals, and microbiological pathogens). Having the resources needed to effectively implement accreditation means the laboratories will have demonstrated they can analyze cannabis accurately and reporting results, which will provide consumer confidence that the products they are consuming have the potency stated, and are free from hazardous toxicants that could make them sick, either in the short term or in the long term.

Alternatives Explored:

Ecology evaluated several options to this budget request, including redirecting existing resources to manage accreditation for cannabis laboratories. However, this is not a viable alternative, as Ecology's current Laboratory Accreditation Unit, which accredits environmental and drinking water labs, is already over capacity. Ecology received funding in both in 2021-23 and 2023-25 to address capacity issues within the current unit, which had caused delays in accreditation audits for these labs. There is no way that the current accreditation staff could assume a larger workload.

As noted above, WSLCB's current accreditation program is performed by a third-party contractor. An alternative to this Decision Package could be to have WSLCB retain the responsibility, and continue to use a contractor. However, current law requires accreditation to transfer to Ecology starting in fiscal year 2025.

The other alternative, as noted above, is WSDA's request legislation, which would amend the statute to make WSDA responsible for accrediting cannabis laboratories moving forward. Again, Ecology supports this alternative, but until a final decision is made by the Legislature, Ecology needs to be ready and resourced to assume the responsibility.

Consequences of Not Funding This Request:

If this request is not funded, Ecology would not be able to establish a cannabis lab accreditation program nor be able to accredit cannabis labs to Ecology's standards. If this happens no new cannabis laboratories could receive accreditation and accredited laboratories would be unable to renew their accreditation. The only accredited cannabis laboratories would be those that had been previously accredited by WSLCB. Without accreditation, cannabis-testing laboratories would not be able to demonstrate they can provide accurate, defensible data to ensure the potency of cannabis products is known and cannabis products are safe to consume (i.e., free of contamination from pesticide residues and residual solvents).

JUSTIFICATION FOR NEW OR INCREASED FEE REQUEST:

1. Fee Name: Cannabis lab accreditation

2. Current Tax or Fee Rate: N/A

3. Proposed Rate: The rate is calculated by taking the estimated cost of an ongoing cannabis-testing lab accreditation program (\$497,546 per year – which includes some management and support costs not included in this decision package) and dividing it equally by the current number of labs (eight) performing cannabis-testing services in the state.

FY 2024: \$0

FY 2025: \$62,193 per lab (based on the current eight labs accredited by WSLCB)

4. Incremental Change for Each Year:

FY 2024: \$0

FY 2025: \$62,193 per lab

5. Expected Implementation Date: July 1, 2024

6. Estimated Additional Revenue Generated by Increase:

FY 2024: \$0

FY 2025: \$497,546 for eight labs

7. Justification: RCW 69.50.348(5)(a) requires Ecology to establish a fee to be charged to cannabis-testing laboratories seeking accreditation in order to support the program.

8. Changes in Who Pays: This is a new fee that would be charged to accredited cannabis- testing labs.

9. Changes in Methodology: This is a new fee calculated by taking the total estimated cost of the accreditation program for cannabis-testing labs divided by the number of labs accredited for cannabis testing.

10: RecSum Code: PJ

11. Alternatives: Because RCW 69.50.348(5)(a) requires that the established fee schedule fully cover, but not exceed, the administrative and oversight costs of the accreditation program, there is no alternative available to setting the fee at the current estimated amount. If the statute were amended to remove the “fully cover” language, Ecology could explore an alternative fee schedule.

12. Statutory Change Required? No

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands Activity A012 – Ensure Environmental Laboratories Provide Quality Data by adding the staff needed to ensure successful implementation of a cannabis laboratory accreditation program, as directed under current law. Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is also in the agency’s Administration Activity A002 but is not shown in the totals below.

A012 - Ensure Environmental Laboratories Provide Quality Data		
	2021-23	2023-25
FTEs Total	7.5	12.9
23P-1 MTCA-Operating	\$1,727,000	\$3,508,000
315-1 Dedicated Cannabis Account	\$530,000	\$0
TOTAL	\$2,257,000	\$3,508,000

Detailed Assumptions and Calculations:

Beginning July 1, 2024, and ongoing, Ecology requires salaries, benefits, and associated staff costs for the following positions to ensure successful implementation of a cannabis laboratory accreditation program, as directed under current law:

- 1.0 FTE Chemist 4 – This position is expected to be an organic chemist with a working knowledge of metals chemistry. This position will conduct on-site and virtual audits of laboratories that have applied for accreditation, review quality assurance manuals and standard operating procedures of applicant laboratories, provide technical assistance to laboratories, and perform other activities required to determine whether laboratories can produce accurate and defensible analytical data.
- 1.0 FTE Microbiologist 4 – This position will evaluate, audit, and provide technical assistance to labs for analyses of microbiological pathogens (E. Coli, salmonella) and mycotoxins. They would also assist with conducting the on-site and virtual audits, and perform other activities, as needed, to determine whether laboratories can produce accurate and defensible analytical data.

In addition to these ongoing staff, from July 1, 2024, through June 30, 2026, Ecology requires salaries, benefits, and associated staff costs for the following IT positions to integrate cannabis accreditation data into our existing systems.

- 1.0 FTE IT Business Analyst-Journey – This position will plan and design an accreditation data management system that will be integrated with the cannabis lab accreditation workflow and existing Ecology systems. Please note, 0.25 FTE of this resource is needed ongoing, starting in fiscal year 2027, to provide support for the integrated solution.
- 1.0 FTE IT App Development-Journey – This position will develop and implement a robust data management system to house information on all the accredited labs, including auditing and proficiency testing results.

This budget request is supported by appropriations from Fund 315-1 – Dedicated Cannabis Account. Ecology chose this account because that is the account that supported this work up until the 2023-25 biennium. Also, RCW 69.50.530(7) directs all fees for cannabis laboratory accreditation be deposited into that account. However, an alternative fund source, such as General Fund-State, could be used if the Legislature determines that would be a more appropriate fund source, given the approach taken in E2SSB 5796.

Revenue is assumed to fully cover the administrative and oversight costs of cannabis laboratory accreditation program, as required by RCW 69.50.348(5)(a). Per statute, Ecology must develop a fee schedule allocating the costs of the accreditation program among its accredited cannabis product testing laboratories. The fee schedule must be established in amounts to fully cover, but not exceed, the administrative and oversight costs.

The proposed fee, which is part of Ecology's current rulemaking, is calculated by taking the estimated costs of an ongoing cannabis-testing lab accreditation program (\$497,546 per year – which includes some management and support costs not included in this budget request), and dividing that equally by the current number of labs (eight) performing cannabis-testing services in the state.

Please note, some costs included in this Decision Package, such as the 1.0 FTE IT Business Analyst-Journey and 1.0 FTE IT App Development-Journey positions through fiscal year 2026, are not fee supported because they are considered initial program development costs, which are not eligible to be covered by the fee. However, RCW 69.50.348(5)(b) still requires that these initial program development costs be paid for out of the Dedicated Cannabis Account.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		425,462	425,462	237,943	237,943	237,943
B	Employee Benefits		153,166	153,166	85,660	85,660	85,660
E	Goods and Services		20,896	20,896	11,754	11,754	11,754
G	Travel		6,252	6,252	3,517	3,517	3,517
J	Capital Outlays		4,124	4,124	2,320	2,320	2,320
	Intra-Agency						
T	Reimbursements		172,433	172,433	96,434	96,434	96,434
	Total Objects		782,333	782,333	437,628	437,628	437,628

Staffing

Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
CHEMIST 4	108,152		1.00	1.00	1.00	1.00	1.00
MICROBIOLOGIST 4	103,002		1.00	1.00	1.00	1.00	1.00
IT BUSINESS ANALYST-JOURNEY	107,154		1.00	1.00			
IT APP DEVELOPMENT-JOURNEY	107,154		1.00	1.00	0.25	0.25	0.25
FISCAL ANALYST 2			0.40	0.40	0.23	0.23	0.23
IT APP DEVELOPMENT-JOURNEY			0.20	0.20	0.11	0.11	0.11
	Total FTEs		4.60	4.60	2.59	2.59	2.59

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Goods and Services are the agency average of \$5,224 per direct program FTE.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits, and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving the Governor's Results Washington Goal 4: Healthy and Safe Communities and Ecology's Goal 1: Support and engage our communities, customers, and employees, because accredited labs will be able to provide accurate, defensible data to ensure the potency of cannabis products are known and cannabis products are safe to consume (i.e., free of contamination from pesticide residues and residual solvents).

Performance Outcomes:

The outcome of this request would be the resources Ecology needs to start the accreditation of cannabis-testing labs on July 1, 2024, and audit the existing eight labs testing cannabis products in Washington state to ensure they can provide accurate, defensible data.

Equity Impacts

Community outreach and engagement:

This request is not anticipated to directly impact overburdened communities and vulnerable populations. Social equity in cannabis licensing is an ongoing issue that both WSLCB and the Legislature have attempted to address. In 2023, the Legislature adopted a new bill dealing with social equity issues related to retail cannabis locations. However, none of these factors was applied to testing facilities. For this reason, Ecology has not conducted local community engagement in the development of this request.

Disproportional Impact Considerations:

This request is not anticipated to negatively impact or exclude any overburdened communities or vulnerable populations. During implementation, Ecology will work to ensure any relevant communications are accessible to the intended audience. Ecology will assess language access needs on an on-going basis and provide translated information and interpretation services when requested and as appropriate.

Target Populations or Communities:

This request is not anticipated to directly impact overburdened communities and vulnerable populations. However, there may be a benefit to some rural areas and associated communities. Seven of eight currently accredited cannabis testing laboratories are in the Puget Sound area, with an additional lab located in Spokane. One lab is currently located within the boundaries of the Puyallup Reservation. None of the eight labs are currently certified by the Office of Minority and Women's Business Enterprises.

This request supports the ability of cannabis-testing laboratories to analyze cannabis products and determine whether they are contaminated with pesticide residues, residual solvents, or other contaminants. Recently, pesticide contamination was found in cannabis products produced in north-central Washington, leading to a recall of these unsafe products. Since many agricultural areas of the state are in rural, overburdened communities, this request will help assure laboratories can detect and identify contaminants in cannabis products from those areas.

Additionally, laboratory accreditation provides technical assistance to laboratories, many of which are small businesses. Ecology's technical support would allow these businesses to expand their scope of analysis, improve the quality of their products, and ultimately grow.

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

RCW 43.21A.736 requires Ecology to adopt rules by July 1, 2024, to implement a cannabis laboratory accreditation program. The WSLCB is currently responsible for accrediting cannabis-testing laboratories so as of that date, the responsibility would shift to Ecology. WSLCB is supportive of giving up the responsibility for accrediting cannabis-testing laboratories.

We have received feedback from stakeholders during the public workshops as part of the rulemaking process, that the proposed fees are too high. However, per statute, Ecology is required to charge fees to fully cover the cost of administering the program.

We are implementing the recommendations of the Cannabis Science Task Force as outlined in the 2019 and 2021 legislative reports; therefore, we expect they would be supportive. The task force recommended that Ecology take over accreditation of cannabis labs, because of Ecology's reputation of having a quality accreditation program for environmental labs for many years. They wanted an accreditation program of the same quality for cannabis labs.

Stakeholder Response:

Private/commercial cannabis testing laboratories will be impacted by this request. The labs support being accredited, but will oppose the amount of the fees required to support the program, since they will likely cause financial hardship to some, if not all, the labs seeking accreditation.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

The Cannabis Science Task Force, established in July 2019, recommended that Ecology be responsible for accrediting cannabis-testing laboratories. RCW 69.50.348 requires the transfer for cannabis laboratory accreditation to Ecology on July 1, 2024.

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Cannabis Lab Accreditation-HEAL Attachment.pdf](#)
[Cannabis Lab Accreditation-IT Addendum.docx](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$426	\$426	\$426	\$238	\$664
Obj. B	\$0	\$153	\$153	\$153	\$86	\$239
Obj. E	\$0	\$21	\$21	\$21	\$12	\$33
Obj. G	\$0	\$6	\$6	\$6	\$4	\$10
Obj. J	\$0	\$4	\$4	\$4	\$2	\$6
Obj. T	\$0	\$172	\$172	\$172	\$96	\$268

Agency Contact Information

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Cannabis Lab Accreditation 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**Cannabis Lab Accreditation
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

This request supports the ability of cannabis-testing laboratories to analyze cannabis products and determine whether they are contaminated with pesticide residues, residual solvents, or other contaminants. Recently, pesticide contamination was found in cannabis products produced in north-central Washington, leading to a recall of these unsafe products. Since many agricultural areas of the state are located in rural, overburdened communities, this proposal will help assure laboratories are capable of detecting and identifying contaminants in cannabis products from those areas.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

None anticipated.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

We did not engage with Tribes in developing this request.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No, this request does not represent a significant agency action under the HEAL Act.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

2023-25 IT ADDENDUM

Only use this addendum if your decision package includes IT costs

Part 1: Itemized IT costs

Complete the [2023-25 IT Fiscal Estimate Workbook](#) imbedded below. This workbook will identify the IT portion of the decision package.

In the workbook, agencies must itemize all IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff as required in ESSB 5693 Sec. 150(4)(a)(i-ix).

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ITaddendum2023-25.

xlsx

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Part 2: Questions about facial recognition and supporting the reuse of existing state resources

- A. Will this investment renew or procure a facial recognition service? ☐ Yes ☒ No
- B. Does this investment provide for acquisition of, or enhancement to, an administrative or financial system as required by [technology policy 122 - administrative and financial system investment approval](#)? ☐ Yes ☒ No
- C. If **Yes** to question B, has this decision package obtained OCIO and OFM Administrative and Financial System review approval? ☐ Yes ☐ No
- o If **Yes**, attach the approval letter.
 - o If **No**, the decision package should not be submitted. Recommendation will be "Do Not Fund."
- D. For DCYF, DOH, DSHS, HCA and the Washington Health Benefit Exchange only: Has this project been screened for inclusion in the HHS Coalition portfolio? ☐ Yes ☐ No
- E. Does this decision package support the adoption of modern, cloud-based technologies? ☒ Yes ☐ No

Part 3: Maintenance level decision packages

The questions in Part 3 are for **Maintenance level** decision packages and need to be answered. (If this is a policy-level decision package, skip Part 3 questions and respond to all questions in Part 4 and Part 5.)

- A. Is this renewal for an existing software or subscription? ☐ Yes ☐ No
- B. Does this continue a current maintenance contract? ☐ Yes ☐ No

C. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☐ No

If **Yes**, where is the hardware solution hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

D. Is this a routine, planned replacement of aging hardware or equipment? ☐ Yes ☐ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

E. Has the agency performed research to determine if a modern cloud solution is available for this maintenance investment? ☐ Yes ☐ No

Part 4: Policy level decision packages

The questions in Part 4 are general questions for **policy-level** decision packages.

A. Type of Investment - Identify the decision package investment classification from the following list:

- ☐ Addresses technical debt.
- ☐ Cloud advancement.
- ☐ Continues existing project.
- ☐ Critical hardware upgrade.
- ☐ Improves existing service.
- ☒ Introduces new capabilities.
- ☐ System modernization.

B. Does this decision package fund the acquisition, development, enhancement, or replacement of a new or existing software solution? ☒ Yes ☐ No

If **Yes**, where will the software solution be hosted? ☒ State Data Center
☐ External Cloud
☐ Other location.

C. Do you expect this solution to exchange information with the state financial system (AFRS) or the OneWA solution (WorkDay)? ☐ Yes ☒ No

D. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☒ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center

☐ External Cloud

☐ Other location.

E. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [Technology policy 121.](#)) ☐ Yes ☒ No

If Yes, name the project:

(Project name published on the [IT Dashboard](#))

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Part 5: IT investment prioritization and scoring questions

All policy level decision packages must provide a response to the following questions. Responses will be evaluated and ranked by the OCIO as required by [RCW 43.88.092](#). The criteria scoring scale being used by the OCIO to evaluate and rank decision packages is available on the OCIO [Decision Package Prioritization](#) website. See [23-25 Decision Package Prioritization Criteria](#).

Agency Readiness

Due diligence. Summarize the research, feasibility or due diligence work completed to support this decision package. Attach a copy of the feasibility study or other documentation of due diligence to the decision package.

Per direction provided by the OCIO, Decision Packages that are only requesting IT staff, do not need part 5 completed.

As part of this Decision Package, Ecology would hire 1.0 FTE Application Developer-Journey and 1.0 FTE IT Business Analyst for fiscal years 2025 and 2026. 0.25 FTE of the App Developer-Journey position would be ongoing.

Governance and management. What governance processes will support this project? Examples of governance processes include appropriately placed executive sponsor, representative steering committee, resourced vendor/contract management, change control, and incorporating stakeholder feedback into decision making processes. Provide examples of how your proposed budget includes adequate funding and planning for governance processes, if applicable.

Planning and readiness. Describe how your agency will resource the implementation of this investment request. Will in-house resources be used, or will resources be acquired? How has organizational change management been factored into planning and approach? Does the investment require a project management approach to be used? Describe whether project and organizational change management resources are included in this request or will be provided by in-kind resources. Describe whether the proposed budget includes costs associated with independent quality assurance.

Technical alignment

Strategic and technical alignment. Using specific examples, describe how this investment aligns with strategic and technical elements of the [Enterprise Technology Strategic Plan](#). Examples of strategic principles that tie back to tenets of the strategic plan include, but are not limited to, advance digital government, support use of common and shared technologies across agencies, improve the Washington customer experience across digital channels, strengthen privacy capacity in

state and local government. Examples of technical principles that tie back to tenets of the strategic plan include but are not limited to; adoption of modern cloud-hosted technologies, provide proactive cybersecurity capabilities, reduce technical debt, expand integration between systems.

Reuse and interoperability. Does the proposed solution support interoperability and/or interfaces of existing systems within the state? Does this proposal reuse an existing solution or existing components of a solution already in use elsewhere in the state? If the solution is a new proposal, will it allow for such principles in the future? Provide specific examples.

Business alignment

Business driven technology. What are the business problems to be addressed by the proposed investment? These business problems should provide the basis for the outcome discussion below. Describe how end users (internal and external) will be involved in governance and implementation activities.

Measurable business outcome. Describe and quantify the specific performance outcomes you expect from this funding request. Provide specific examples of business outcomes in use within your agency, and how those outcomes will be improved because of this technology investment. Does the response align with the measurable business outcomes identified in the Strategic and Performance Outcomes in [Chapter 2](#) of the 2023-25 budget instructions? What outcomes and results, either positive or negative will occur? Identify all Lean initiatives and their expected outcomes. Include incremental performance metrics.

Decision package urgency

During the evaluation and ranking process, the OCIO will take into consideration, the urgency of the decision package request. Describe the urgency of implementing the technology investment in this cycle and the impacts to business if it does not proceed as planned.



Agency Recommendation Summary

Chapter 88.40 RCW requires certain vessels and facilities transporting, storing, handling, or transferring oil and hazardous substances in Washington to demonstrate financial responsibility for the costs of a spill. Ecology received funding in the 2022 supplemental operating budget to respond to a 2021-23 proviso and adopt rules to implement the provisions under RCW 88.40.025 for oil handling facilities. That rulemaking is scheduled to be completed in spring 2024, and Ecology is now requesting funding to establish a Certificate of Financial Responsibility program to ensure compliance with the adopted rules and Chapter 88.40 RCW for both vessels and facilities. Related to Puget Sound Action Agenda Implementation. (Oil Spill Prevention Account)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	3.5	1.75	3.5	3.5	3.5
Operating Expenditures						
Fund 217 - 1	\$0	\$588	\$588	\$588	\$588	\$1,176
Total Expenditures	\$0	\$588	\$588	\$588	\$588	\$1,176

Decision Package Description

Background:

Chapter 88.40 RCW requires certain vessels and facilities transporting, storing, handling, or transferring oil in Washington to demonstrate a defined level of financial responsibility for the costs of a spill. RCW 80.40.020 explicitly defines the levels of financial responsibility for vessels that transport petroleum products as cargo or as fuel across the waters of the state of Washington, depending on the type, size, and function of the vessel. However, for facilities required to demonstrate financial responsibility, RCW 88.40.025 required Ecology to conduct rulemaking to determine the levels necessary to compensate the state and affected counties and cities for damages that might occur during a spill of oil from that facility into the navigable waters of the state.

In 2021, the Legislature included a proviso in section 302(3) of the 2021-23 operating budget requiring Ecology to adopt rules to implement the provisions of RCW 88.40.025 and establish financial responsibility requirements for onshore or offshore facilities. However, funding to complete this work was not provided in the biennial budget. Ecology requested and received funding in the 2022 supplemental operating budget to complete this rulemaking, but resources to establish a Certificate of Financial Responsibility (COFR) program to ensure compliance with requirements for both facilities and vessels, once rulemaking was completed, were not provided.

Problem/Opportunity:

While establishing financial responsibility requirements for facilities through rulemaking is an important initial step, ensuring ongoing compliance with these requirements, for both facilities and vessels, is equally as important, if not more. Establishing a COFR program was identified as the top unfunded priority in Ecology's Spill Prevention, Preparedness, and Response Program Activity and Funding Report that was submitted to the Legislature in June 2020 (<https://apps.ecology.wa.gov/publications/summarypages/2008009.html>).

Ecology currently regulates oil spill contingency planning requirements for 20 oil handling facilities, 22 mobile transfer facilities, six marine terminals, and approximately 4,000 regulated vessels. RCW 90.56.360 requires the party found responsible for an oil spill to cover the necessary expenses of the response and cleanup for that spill. If the responsible party is unable to cover those costs, they are borne by Ecology. If the cost of the spill is large enough, it can exhaust the resources Ecology has dedicated to spill response, which puts pressure on funding for other programs or activities.

Solution:

Regular certification of financial responsibility will provide the most direct way to confirm that vessels and facilities maintain an ongoing ability to pay for a large oil spill. A COFR program will allow Ecology to review existing documents submitted by vessels and facilities used to verify financial responsibility, such as insurance policies, protection and indemnity club membership documents, surety bonds, guarantees, letters of credit, qualification for self-insurance, or proof of certification from another state meeting Washington's standards. After verifying financial responsibility exists, Ecology will issue certificates to document compliance with state requirements that will be reviewed during compliance inspections and during normal operations when oil is transferred between facilities and/or vessels.

Due to Washington's strong prevention and contingency planning practices, spill risk has decreased over the years, while the financial burden of demonstrating financial responsibility has also decreased. California and Alaska both have COFR programs in place, and several companies operating in Washington are already meeting requirements in these, and other jurisdictions. California prepared an economic impact analysis of COFR requirements in 2016, and according to that analysis, costs would vary depending on the method used to demonstrate financial responsibility. Surety bonds were the least common method because most required high collateral requirements. One marine facility paid

\$588,000 for a \$65 million surety bond in 2013. Insurance policies are a more common method, and prices for coverage to meet California's requirements ranged from about \$7,000 per year for a \$2 million dollar policy, to \$50,000 per year for a \$65 million dollar policy, according to the 2016 economic analysis. The other commonly used method in California is self-insurance, in which the company submits audited financial information demonstrating that the company meets the COFR criteria. For one company, costs to demonstrate self-insurance were \$15,000.

The programs in California and Alaska demonstrate the feasibility of the COFR program, and Ecology will be able to use the lessons learned through the creation and implementation of those programs to help implement Washington's COFR program. The current regulatory environment supports the establishment of financial responsibility requirements for facilities, and the development of a COFR program.

Based on the draft rule, which is scheduled for adoption in June 2024, and the existing requirements specified in statute for vessels, the proposed COFR program will apply to most of the regulated entities described above, resulting in over 4,000 estimated COFR applications each year. This request will provide the funding and staff needed to establish and implement a COFR program to ensure ongoing compliance from facilities and vessels with these new financial responsibility requirements.

Impacts on Population Served:

This request will ensure facilities and vessels handling the largest volumes of oil and petroleum products in the state are financially responsible for the costs of a worst-case discharge spill. A COFR program will provide an improved level of certainty that spillers are financially capable of responding to, and containing, a spill as quickly as possible.

According to the National Oceanic and Atmospheric Administration (NOAA) (<https://coast.noaa.gov/states/washington.html>), 4.8 million people live in the coastal portions of the state, and the coastal economy employs 2.4 million people and contributes \$419 billion toward the gross domestic product. Oil spills not only impact coastal areas and waterways, but they also impact the health of marine life and contribute toward accumulation of toxic compounds in fish and shellfish. This request will benefit the health of populations that consume fish and shellfish from Washington waters and rely on healthy marine ecosystems.

Alternatives Explored:

The two alternatives to this request would be to delay the establishment and implementation of a COFR program or redirect existing resources to complete this work. Both alternatives are not feasible options for Ecology. A COFR program is the logical next step to fulfilling the legislative intent behind directing Ecology to complete rulemaking in 2021-23, and funding that effort in the 2022 supplemental operating budget. Not moving forward with a program to ensure compliance with the regulations, in both rule and statute, would continue to place the state at risk of having to bear the costs for a spill response for a facility or vessel that has inadequate financial capacity to cover the costs of the response. Existing staff within Ecology's Spills Program could not be redirected to this work without negatively impacting existing work in the areas of spills prevention, preparedness, and response.

Consequences of Not Funding This Request:

If this request is not funded Ecology would be unable to establish and implement a COFR program to ensure compliance with the regulations in rule and statute for vessels and facilities. This would continue to place the state at risk of having to bear the costs of a spill from a facility or from a vessel where the owner has inadequate financial capacity to cover the costs of the response. Also, as mentioned above, the Legislature directed and funded the work to complete rulemaking to ensure the state is protected. Not funding this request would undermine those legislative priorities, as well as the rulemaking currently underway.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands Activity A030 – Prepare for Aggressive Response to Oil and Other Hazardous Material Incidents by providing funding and staff to establish and implement a COFR program to ensure compliance with financial responsibility requirements under Chapter 88.40 RCW. Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is also in the agency's Administration Activity A002 but is not shown in the totals below.

Activity A030 – Prepare for Aggressive Response to Oil and Other Hazardous Material Incidents		
	2021-23	2023-25
FTEs Total	24.8	26.8
001-7 General Fund - Private/Local	\$112,000	\$112,000
217-1 Oil Spill Prevention	\$3,710,000	\$4,383,000
23P-1 Model Toxics Control Operating - State	\$3,924,000	\$4,869,000
TOTAL	\$7,746,000	\$9,364,000

Detailed Assumptions and Calculations:

The 2022 supplemental operating budget provided funding for Ecology to adopt rules to implement the provisions of RCW 88.40.025 and establish financial responsibility requirements for onshore or offshore facilities that store, handle, or transfer oil or hazardous substances in bulk

on, or near, the navigable waters of the state. The resources requested and received in the 2022 supplemental operating budget included 1.0 FTE Marine Transportation Safety Specialist 3 position that is providing technical expertise regarding resources at risk from spills, cleanup costs, and spill planning during the rulemaking process. Consistent with Ecology's 2022 Decision Package, once rulemaking is complete, this position will transition to lead the COFR program, beginning in fiscal year 2025, and provide maritime expertise for the vessel requirements in statute.

In addition to this ongoing base resource, beginning July 1, 2024, Ecology requires salaries, benefits, and associated staff costs for the following positions to provide statewide technical assistance and document auditing to ensure all facilities and vessels meet financial responsibility requirements.

- 1.0 FTE Environmental Planner 4 (EP4) – This position will provide ongoing planning and coordination support for the COFR program, track compliance with certification requirements, and serve as enforcement lead in the event of non-compliance.
- 2.0 FTEs Regulatory Analyst 3 (RA3) – These positions will provide the primary financial expertise to review appropriate financial documents and certify they demonstrate ability to take financial responsibility for the cost of a spill.

Travel costs include \$5,000 per year for each new ongoing FTE starting in fiscal year 2025 for participation in drills and site visits for financial responsibility reviews, for a total of \$15,000 each year in supplemental travel costs. These costs are shown in Object G.

Funding requested for these resources is out of the Oil Spill Prevention Account, consistent with how the rulemaking was funded in the 2022 supplemental operating budget.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		311,527	311,527	311,527	311,527	311,527
B	Employee Benefits		112,150	112,150	112,150	112,150	112,150
E	Goods and Services		15,672	15,672	15,672	15,672	15,672
G	Travel		19,689	19,689	19,689	19,689	19,689
J	Capital Outlays		3,093	3,093	3,093	3,093	3,093
T	Intra-Agency Reimbursements		126,255	126,255	126,255	126,255	126,255
	Total Objects	0	588,386	588,386	588,386	588,386	588,386
Staffing							
Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
KING CO - ENVIRONMENTAL PLANNER 4	100,433		1.00	1.00	1.00	1.00	1.00
KING CO - REGULATORY ANALYST 3	105,547		2.00	2.00	2.00	2.00	2.00
FISCAL ANALYST 2			0.30	0.30	0.30	0.30	0.30
IT APP DEVELOPMENT-JOURNEY			0.15	0.15	0.15	0.15	0.15
	Total FTEs	0.00	3.45	3.45	3.45	3.45	3.45

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36 percent of salaries.

Goods and Services are the agency average of \$5,224 per direct program FTE.

Travel is the agency average of \$1,563 per direct program FTE, plus \$15,000 in FY 2025 and ongoing each year thereafter for drill participation and site visits for financial reviews.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8 percent of direct program salaries and benefits and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving the Governor's Results Washington Goal 2: Prosperous Economy, Goal 3: Sustainable Energy and a Clean Environment, and Goal 4: Healthy and Safe Communities and Ecology's Goal 3: Prevent and reduce toxic threats and pollution and Goal 4: Protect and manage our state's waters because it will provide the resources needed to implement both the new rule, and existing law, that require oil handling facilities and vessels to certify they can cover the costs associated with an oil spill. A COFR is a critical component in spill contingency planning because a rapid and aggressive response minimizes impacts to the local communities and important economic and cultural resources.

Performance Outcomes:

The outcome of this request will be the establishment of a certification of financial responsibility program for all covered oil handling facilities in Washington and all regulated vessels transporting oil and petroleum products in Washington waters. This request will help ensure that companies have the financial resources to cover the costs of a spill.

Equity Impacts

Community outreach and engagement:

Ecology communicated the beginning of the rulemaking for the COFR program to the stakeholder community, including regulated industries and vessels, local and Tribal governments, and community associations and organizations. This included a brief description of why Ecology is writing this rule, what the rulemaking process is set to accomplish, the rulemaking process steps and timeline, and how interested parties can get more information. The announcement includes Spanish, Russian, Chinese, Vietnamese, and Korean translations.

Ecology also hosted a workshop to provide introduction and background information, a schedule and topics of upcoming workshops, and registration links to enable stakeholders to participate in workshops that are relevant to their interests.

Disproportional Impact Considerations:

Ecology does not anticipate any disproportionate impacts on overburdened communities or vulnerable populations. The COFR program is focused on ensuring compliance with financial requirements on transporting and handling oil.

Target Populations or Communities:

Ecology reviewed the locations of regulated oil handling facilities on the Department of Health's (DOH) Environmental Health Disparities Map. This map ranks census tracts on a scale of one to 10, with one representing the lowest environmental health disparities in the state, and 10 representing the highest. These rankings are based on each census tract's environmental exposures and disparities, sensitive populations with indicators for poor health outcomes, and socioeconomic disparities. The four primary criteria and elements included are:

- Environmental Exposures (NOx-diesel emissions; ozone concentration; PM2.5 Concentration; populations near heavy traffic roadways; and toxic release from facilities (RSEI model)).
- Environmental Effects (lead risk from housing; proximity to hazardous waste treatment, storage, and disposal facilities (TSDFs); proximity to National Priorities List sites (Superfund Sites); proximity to Risk Management Plan (RMP) facilities; and wastewater discharge).
- Sensitive Populations (death from cardiovascular disease and low birth weight).
- Socioeconomic Factors (limited English; no high school diploma; poverty; race - people of color; transportation expense; unaffordable housing; and unemployed).

At least 12 of the regulated oil handling facilities in Washington (not including pipelines) are located in areas that rank seven or higher on the DOH Environmental Health Disparities Map, with five of those ranking nine or 10. These five locations also have demographic indexes above the 75th percentile on the U.S. Environmental Protection Agency's (EPA) Environmental Justice Screen Map, which means these areas tend to be home to more people of color and people with lower incomes.

In addition to these locations, key pipelines traverse census tracts with high environmental health disparity rankings and higher demographic indices. This is important because these facilities not only tend to be near Tribal communities that rely heavily on fishing, but also near communities of color and low-income populations, whose residents are already experiencing disproportionate health impacts and socioeconomic pressures. These toxic contaminants may impact the health of residents through a wide variety of exposure pathways, and a poorly contained spill at one of these facilities would further exacerbate the inequities placed on overburdened communities and vulnerable populations.

Other Collateral Connections

Puget Sound Recovery:

This request supports Puget Sound Action Agenda implementation through Ongoing Program: OGP27 Spill Preparedness and the following

Vital Signs, Strategies, Desired Outcomes, and Actions included in the 2022-2026 Puget Sound Action Agenda:

- Vital Signs – Salmon and Toxics in Aquatic Life
- Strategies - #13 Oil Spills
- Desired Outcomes – 2.4.1. Risk and potential harm of spills of oil and hazardous substances to waterways reduced.
- Actions - #65 Strengthen and integrate spill response readiness of all partners, including federal, state, tribal nations, local government, oil spill response organizations, and transboundary partners.

This request also supports efforts under the Governors' Executive Order 1802, Southern Resident Orca Recovery and Task Force through the following recommendation: 24 - Reduce the threat of oil spills in Puget Sound to the survival of Southern Residents.

State Workforce Impacts:

N/A

Intergovernmental:

The U.S. Coast Guard (USCG) and EPA are expected to support this request, since they share responsibility with Ecology to manage spill response in both marine and inland areas. Both the USCG and EPA are members of the Northwest Area Committee that works on policy for northwest states oil spill preparedness and response. Local governments should also support this request as it will help ensure that oil handling facilities and vessels have the financial capacity to cover the cost of a spill response, minimizing the risk of economic impacts to communities that depend on healthy waterways.

Stakeholder Response:

The formation of a COFR program to implement and enforce the new rule and existing statute has been discussed at various stakeholder venues, including Northwest Area Committee meetings, Maritime Fire and Safety Association meetings, and the Washington State Maritime Cooperative Annual Meeting.

On April 17, 2023, Ecology sent a rulemaking announcement email to the stakeholder community, including regulated industries and vessels, local and Tribal governments, and community associations and organizations. The same message was posted on Ecology's communications website. The announcements include a brief description of why Ecology is writing this rule, what the rulemaking process is set to accomplish, the rulemaking process steps and timeline, and how interested parties can get more information. The announcement includes Spanish, Russian, Chinese, Vietnamese, and Korean translations.

On May 19, 2023, an email providing information on the upcoming workshop was sent to the stakeholder community. The first workshop was held on June 15th and included introduction and background information, a schedule and topics of upcoming workshops, and registration links to enable stakeholders to participate in workshops that are relevant to their interests. Approximately 35 stakeholders attended; comments received were positive and constructive.

This request will support existing statutory requirements and legislative direction that will strengthen compliance monitoring of these requirements into the future. It will require oil handling facilities and vessels to demonstrate financial capacity to cover the cost of a spill and will provide the state with the resources needed to verify compliance. For some oil handling facilities, this may require they obtain insurance coverage, but many of the facilities in Washington are operated by companies that already meet financial responsibility requirements in California or Alaska. Implementing and enforcing COFR requirements could potentially create new financial obligations for the regulated entities. Through the current rule writing process, Ecology has provided adequate time and resources for public engagement and stakeholder involvement and will conduct economic analysis of the rule's impacts.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

Chapter 88.40 RCW requires certain vessels and facilities transporting, storing, handling, or transferring oil in Washington to demonstrate a defined level of financial responsibility for the costs of a spill. RCW 80.40.020 explicitly defines the levels of financial responsibility for vessels that transport petroleum products as cargo or as fuel across the waters of the state of Washington, depending on the type, size, and function of the vessel.

In 2021, the Legislature included a proviso in section 302(3) of the 2021-23 enacted operating budget requiring Ecology to adopt rules to implement the provisions of RCW 88.40.025 and establish financial responsibility requirements for onshore or offshore facilities. The establishment and implementation of a COFR program is needed to ensure compliance with the regulations in both rule and statute for vessels and facilities.

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Certifying Financial Responsibility-HEAL Attachment.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$311	\$311	\$311	\$311	\$622
Obj. B	\$0	\$112	\$112	\$112	\$112	\$224
Obj. E	\$0	\$16	\$16	\$16	\$16	\$32
Obj. G	\$0	\$20	\$20	\$20	\$20	\$40
Obj. J	\$0	\$3	\$3	\$3	\$3	\$6
Obj. T	\$0	\$126	\$126	\$126	\$126	\$252

Agency Contact Information

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Agency Recommendation Summary

Ecology assumed responsibility for managing the Hanford dangerous waste permit from the U.S. Department of Energy in 2015. Since then, permit management and configuration control has continued to be extremely resource intensive due to the size and complexity of the permit. Despite added staffing capacity in 2017-19 and 2020, the remaining scope of work to both reissue and manage the permit still exceeds current staffing capacity. The next version of this permit is scheduled for its public comment period in 2024, and additional staff are needed to ensure reissuance of the permit by September 2026, as required by our current Performance Partnership Agreement with the U.S. Environmental Protection Agency. This request will provide the additional staff needed to support the reissuance and ongoing management of the permit, along with new work coming to Ecology in 2024 related to the Perma-Fix Northwest dangerous waste permit and Hanford air operating permit. (Radioactive Mixed Waste Account, General Fund-Federal, Air Operating Permit Account)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	2.3	1.15	2.3	2.3	2.3
Operating Expenditures						
Fund 001 - 2	\$0	\$29	\$29	\$29	\$29	\$58
Fund 20R - 1	\$0	\$311	\$311	\$237	\$237	\$474
Fund 219 - 1	\$0	\$40	\$40	\$40	\$40	\$80
Total Expenditures	\$0	\$380	\$380	\$306	\$306	\$612
Revenue						
001 - 0381	\$0	\$29	\$29	\$29	\$29	\$58
20R - 0294	\$0	\$311	\$311	\$237	\$237	\$474
Total Revenue	\$0	\$340	\$340	\$266	\$266	\$532

Decision Package Description

Background:

The Hanford Site located in Benton County is one of the largest environmental cleanup projects in the world. About 10 percent of the land area, and 80 square-miles of groundwater, are unsafe for human use. Cleanup of the Site includes collecting, removing, and/or safely storing chemically toxic and radioactive materials. Activities underway involve soil and groundwater cleanup and demolishing old facilities to ensure the safety of future generations.

The Hanford dangerous waste permit, one of the largest and most complex permits in the nation, was originally issued to the U.S. Department of Energy (USDOE) in 1994. It permits operations at 36 groups of radioactive mixed waste facilities ranging from non-operating facilities requiring closure, operating treatment, storage, and disposal facilities, and the first of its kind tank waste treatment complex that includes 13 individual processing and operating units.

Ecology began the process to reissue the original permit (Rev. 8C) by issuing a draft permit for public comment in 2012. That process, which generated over 6,000 public comments, along with feedback from U.S. Environmental Protection Agency (EPA) oversight staff, indicated the permit could not be reissued at that time because it lacked essential information. One of the significant comments received was that Ecology needed to assume responsibility for configuration control of the permit.

Configuration control is the use of defined processes and dedicated staff resources to actively manage a permit throughout its lifecycle. This includes the tracking and management of all documents related to the current permit, its modifications, and its eventual reissuance. Configuration control serves a key purpose in the permitting process as it is vital to maintain accurate, complete, and correctly processed modifications and documents.

As part of both the continued management of the existing permit, and moving forward with reissuance of the new permit, Ecology has been working with EPA and USDOE since 2012 to substantially revise its approach to permit review, approval, and implementation at Hanford. This revised approach focuses on coordinated development to ensure:

1. Permitting decisions that result in environmental protection that meets state dangerous waste regulations (Chapter 173-303 WAC).
2. Consistency in dangerous waste facility permitting conditions across the state and the Hanford Site.
3. Clear and specific requirements for each permitted facility can be met.

Assuming responsibility for configuration control for the permit presented a significant workload increase for Ecology, and required the Nuclear Waste Program to both add and reassign existing resources to accommodate the work. In 2017-19, one additional FTE Environmental

Specialist 4 (ES4) position was added (see AK-Hanford Dangerous Waste Permitting in 2017-19), and two existing positions were reassigned to support management and control configuration of the current permit. In 2020, funding was requested and provided for two additional permit staff (see CQ-Hanford Dangerous Waste Permit) to support the growing modifications required for the current permit and address the increasing complexity and volume of information management surrounding reissuance efforts for the new Rev. 9 permit.

Problem:

Despite the resources added in 2017-19 and 2020, management and complexity surrounding both the current permit, and reissuance of the new permit, continues to outpace Ecology's staffing capacity.

Current Permit (Rev. 8C):

The current permit includes facility-specific requirements for only 13 of the 36 permitted facilities on the Hanford Site. Facilities without specific conditions are operated under general permit conditions, which creates compliance and operational problems for both Ecology and USDOE. The current permit consists of over 16,400 pages, including over 1,800 individual documents that Ecology staff must manage. Ecology must maintain several distinct instances of the permit (web, Ecology, Public, USDOE, real-time, administrative record, archival, etc.), which are all unique editions of the permit. Due to data security requirements, each permit contains only the data allowed to be viewed by a specific audience. Additionally, between 2015 when Ecology assumed administrative control of the permit, and 2019 when Ecology's submitted its 2020 supplemental budget request, there had been an average of 48 individual permit modifications each year, requiring revisions to substantial portions of the permit.

New Permit (Rev. 9):

To add complexity to the situation, Ecology is currently having to manage two versions of the permit. The existing permit requires ongoing configuration control and data management as modifications are made to support the current work at the Hanford Site, while reissuance of the new, larger Rev. 9 permit is also underway. Under the new permit, which is expected to be over 23,000 pages, each of the 36 facility groups will have a permit chapter that includes up to 13 sections of facility-specific information and permit conditions.

For perspective, each of these 36 permit chapters will be the equivalent of a typical non-Hanford, stand-alone dangerous waste permit in Washington. Both permits will need to be merged into a single permit upon reissuance of the Rev. 9 permit. Reissuing this permit is important for establishing facility-specific requirements for all facilities on Hanford, which will reduce compliance and operational issues. This work is being tracked and overseen by EPA, and reissuance by the end of federal fiscal year 2026 is included as an obligation of Ecology's in our current Performance Partnership Agreement (PPA).

At the time of Ecology's 2020 Decision Package, reissuance of the permit was expected to occur in 2023, based on a plan that USDOE permit renewal documents for Rev. 9 would be received by Ecology at a staggered rate. However, receipt of those files from USDOE has been delayed, and as a result, it has slowed the reissuance process. Delays have been driven by several factors, including the high volume of modifications required for the current permit. These modifications continue to create a substantial workload for Ecology staff because review of the modifications is required and necessary to maintain operations on the Hanford Site. From 2020 through 2022, Ecology issued 132 permit modifications for Rev. 8C. These modifications can take anywhere from one month (class 1) to a year or more (class 3) to process. Of the 132 modifications since 2020, 33 were class 3 and took a year or more to complete.

When Hanford permitting staff are diverted to processing these modifications, it causes interruptions for both USDOE and Ecology in processing the Rev. 9 permit reissuance. These delays have caused permit reissuance being pushed back to at least 2025, resulting in a major bottleneck in permit configuration control work that current program resources cannot adequately address.

Along with the administrative, technical, and regulatory workload associated with both Rev. 8C and Rev. 9, Ecology is also struggling with the communication and outreach needs surrounding these permits. Work is ongoing to stage the Rev. 9 permit for public comment in 2024, which is a critical stage in the reissuance process. However, based on size and complexity of the draft permit, coupled with our experience with 2012's public comment period, and the anticipated interest in this newest version of the permit, our current communication staff resources are not sufficient to manage the workload associated with reissuance and ongoing management of the new permit.

New Work on the Horizon:

In addition to the Hanford dangerous waste permit, Ecology is also preparing to reissue the Perma-Fix Northwest dangerous waste permit, and make modifications to the Hanford Air Operating Permit, beginning in 2024. Perma-Fix Northwest is a waste treatment facility located on 35 acres adjacent to the Hanford Site that specializes in treating and packaging low-level and mixed low-level waste. Hanford's air operating permit protects the people and air resources in the Hanford area through the coordination of permitting and regulatory issues associated with the Federal Clean Air Act and the Washington Clean Air Act. Ecology is the lead agency for the air operating permit, and through an interagency agreement and delegation, the permit is enforced by three agencies. Ecology regulates non-radioactive toxics, criteria air emissions and asbestos, the Washington State Department of Health regulates radioactive air emissions, and Benton Clean Air Agency regulates outdoor burning.

Until now, basic document management for these permits was conducted by project management staff, but that approach has lacked the consistent process and configuration control practices needed to ensure the consistency and quality of proper permit management. This work will require Ecology to establish new configuration control processes to more effectively manage these permits.

Along with these new permit responsibilities, Ecology recently reached a conceptual agreement under multi-year Holistic Negotiations with USDOE and EPA on revising plans for managing and treating millions of gallons of waste stored in tanks at the Hanford Site. The agreement will include modifications to a federal Consent Decree and the Tri-Party Agreement, which guide cleanup, and will involve an extensive public involvement effort. The Holistic Negotiation conceptual agreement will soon enter the public comment phase and require additional communication support above what current staffing levels are able to effectively support. All this new work will put even more of a strain on our current permit and communications staff who are trying to prepare the Rev. 9 permit for reissuance.

Solution:

To address these increasing workloads, and ensure successful reissuance of the Rev. 9 permit, Ecology is requesting additional permit and communication staff to:

- Properly administer the current dangerous waste permit, including modifications needed to ensure the successful cleanup of the Hanford Site.
- Complete reissuance of the next permit and meet project commitments agreed to between Ecology, EPA, and USDOE.
- Manage new workloads associated with the Perma-Fix Northwest and AOP permits.
- Manage increasing communications and public outreach workload associated with Hanford permits and cleanup efforts.

The requested permit position will increase configuration control and management capacity for both the Rev. 8C and Rev. 9 permits, while also supporting the new Perma-Fix Northwest dangerous waste permit, and configuration control processes for Hanford's air operating permit. A lack of proper configuration control for our permits increases the risk of appeal through Pollution Control Hearings Board (PCHB), which would likely delay reissuance. This position will help ensure that a consistent, defined process is applied to all major permits managed by Ecology's Nuclear Waste Program, reducing the risk of audits, appeals, and litigation.

The requested communications position will support the public comment periods associated with reissuance, along with the ongoing communications, outreach and education needs for managing these permits. Communications staff are critical to supporting public outreach efforts leading up to and following permit reissuance. These efforts will include supporting in-person and virtual hearings held throughout the Pacific Northwest for public comment, supporting educational meetings on Rev. 9, supporting advisory board briefings, and Tribal communications engagement. This position will also support the upcoming communications needs that will result from the completion of the multi-year Holistic Negotiations, which will require public involvement once Tri-Party Agreement and Consent Decree changes are drafted.

The vast majority of funding for these resources will come from the Radioactive Mixed Waste Account and be reimbursed primarily by USDOE. Ecology has communicated with USDOE regarding the need for this request and will continue to engage with them regarding the need for permitting and communications resources. USDOE is aware that future Radioactive Mixed Waste Fee billings and Comprehensive Environmental Response, Compensation, and Liability (CERCLA) grant applications will reflect these costs.

Impacts on Population Served:

This request will provide the resources needed meet agreed-upon milestones with USDOE and EPA for the reissuance of the Hanford dangerous waste permit by September 2026. Reissuance of this permit will establish facility-specific requirements that will increase environmental protection and reduce risks on Hanford and the surrounding areas.

Those impacted by this request include our federal partners (USDOE and EPA) and populations affected by cleanup of the Hanford Site, including the Yakama Nation, Nez Perce Tribe, and Confederated Tribes of the Umatilla Indian Reservation, who retain treaty rights. Effective management of Hanford-related permits and cleanup work promotes the current exercise of treaty rights and future restoration of full tribal access to Hanford land. Communities will also benefit from effective permitting, public awareness, involvement, and engagement with those that stand to be affected by Hanford downstream and downwind of the Columbia River, from Richland to the Pacific coast.

Alternatives Explored:

As an alternative to this request, Ecology explored reassigning existing resources and ultimately concluded that permitting and public involvement staff are already at capacity. Reassignment of existing permit writers would delay actual development of individual facility permits, while reassigning existing cleanup staff would impact oversight of cleanup projects and those staff would need to learn new regulations.

Ecology could continue to work toward reissuance within existing resources assigned to reissuing the permit, but this would delay the reissuance timeline, which has been mutually committed to by both Ecology and USDOE. The staff requested are necessary to mitigate the risk of the Rev. 9 reissuance being delayed beyond Ecology's PPA obligation to EPA of reissuing the new permit by September 30, 2026. The current lack of staff capacity is further exacerbated by the increased workload of that will begin in 2024 to support the Perma-Fix Northwest dangerous waste permit and configuration control processes for Hanford's air operating permit.

Consequences of Not Funding This Request:

If this request is not funded, it would not be possible to reissue the Hanford dangerous waste permit by 2026. Ecology and USDOE are working jointly to reissue the permit, and USDOE is relying on Ecology to fulfill its permitting responsibilities in the agreed to schedule. If Ecology does not, it could impact USDOE planning and resources and could result in Ecology being blamed for delaying permit reissuance. Ecology would likely receive substantial criticism from USDOE, EPA, the public, and news media. Radioactive/chemical waste stored at Hanford may not be stored, treated, and disposed of according to regulations designed to protect human health and the environment, because

facilities would not have unit-specific permits issued.

JUSTIFICATION FOR NEW OR INCREASED FEE REQUEST:

1. Fee Name: Mixed Waste Management Fee

2. Current Tax or Fee Rate: Fees are billed to entities based on share in workload model.

FY 2024: \$12,032,000

FY 2025: \$11,923,000

3. Proposed Rate:

FY 2024: \$12,032,000

FY 2025: \$12,234,231

4. Incremental Change for Each Year:

FY 2024: No Change

FY 2025: \$311,231

5. Expected Implementation Date: 07/01/2024

6. Estimated Additional Revenue Generated by Increase:

FY 2024: No Change

FY 2025: \$311,231

7. Justification: The Radioactive Mixed Waste Management Fee is intended to fund Ecology's implementation of the Hazardous Waste Management Act (Chapter 70.300A RCW) at radioactive mixed waste facilities.

8. Changes in Who Pays: No changes.

9. Changes in Methodology: No changes.

10. RecSum Code: PC

11. Alternatives: No alternatives were considered. Increasing this fee is appropriate for this request.

12. Statutory Change Required? No

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands Activity A018 – Ensure the Safe Management of Radioactive Mixed Waste at Hanford by providing essential permitting support for Hanford permitting and cleanup work. These permits are necessary to ensure the safe handling, treatment, storage, and disposal of radioactive mixed waste. Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is also in the agency's Administration Activity A002, but is not shown in the totals below.

Activity A018 – Ensure the Safe Management of Radioactive Mixed Waste at Hanford		
	2021-23	2023-25
FTEs Total	21.40	20.40
001-1 General Fund – State	\$15,000	\$15,000
001-2 General Fund – Federal	\$428,000	\$448,000
001-7 General Fund – Private Local	\$164,000	\$194,000
125-1 Site Closure	\$582,000	\$582,000
20R-1 Radioactive Mixed Waste Fee	\$4,188,000	\$3,934,000
216-1 Air Pollution Control	\$37,000	\$40,000
219-1 Air Operating Permit	\$142,000	\$171,000
23P-1 Model Toxics Control Operating - State	\$1,111,000	\$1,144,000
TOTAL	\$6,667,000	\$6,528,000

Detailed Assumptions and Calculations:

Beginning July 1, 2024, Ecology requires salary, benefits, and associated staff costs for the following positions to support the management and reissuance of the Hanford dangerous waste permit, which is essential for controlling and enforcing Hanford facilities that treat, store, and dispose of radioactive mixed waste and their facility emissions. These positions will also support other Hanford-related permits and cleanup activities, including updates to the federal Consent Decree and Tri-Party Agreement.

- 1.0 FTE Environmental Specialist 4 (ES4) to support the reissuance and ongoing management of the Rev. 9 Hanford dangerous waste permit, as well as new responsibilities associated with the Perma-Fix Northwest dangerous waste permit and Hanford's air operating permit.
- 1.0 FTE Community Outreach & Environmental Education Specialist 4 (COEES4) to support the reissuance, public comment periods, and ongoing communications, outreach, and education needs for all Hanford-related permits. This position will also support the communications needs associated with the completion of multi-year Holistic Negotiations with USDOE, which will require public involvement once Tri-Party Agreement and Consent Decree changes are drafted.

In addition to these ongoing resources, during fiscal year 2025, the Office of the Attorney General estimates needing the equivalent of 0.25 FTE Assistant Attorney General at a cost of \$64,250 to review permit material and draft decisions prior to reissuance of the Rev. 9 permit. These costs are shown in Object E: Good and Services.

Revenue will be collected primarily through the mixed waste management fee, which is deposited into the Radioactive Mixed Waste Account, to recover the vast majority of these expenditures, while a small portion will be collected through the Nuclear Waste Program's federal CERCLA grant. Revenue collected to support the appropriation authority requested from the Air Operating Permit Account (fund 219-1) will be collected through the biennial workload analysis and fee adjustment required under RCW 70A.15.2270, beginning in 2025-27. For fiscal year 2025, fund 219-1 has sufficient fund balance to support the requested appropriation until fees are adjusted next biennium.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		164,800	164,800	164,800	164,800	164,800
B	Employee Benefits		59,327	59,327	59,327	59,327	59,327
E	Goods and Services		83,448	10,448	10,448	10,448	10,448
G	Travel		3,126	3,126	3,126	3,126	3,126
J	Capital Outlays		2,062	2,062	2,062	2,062	2,062
T	Intra-Agency Reimbursements		66,789	66,789	66,789	66,789	66,789
Total Objects			379,552	306,552	306,552	306,552	306,552

Staffing

Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
ENVIRONMENTAL SPEC 4	86,324		1.00	1.00	1.00	1.00	1.00
COMM OUTRCH & ENVIRO ED SPEC 4	78,476		1.00	1.00	1.00	1.00	1.00
FISCAL ANALYST 2			0.20	0.20	0.20	0.20	0.20
IT APP DEVELOPMENT-JOURNEY			0.10	0.10	0.10	0.10	0.10
Total FTEs			2.30	2.30	2.30	2.30	2.30

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Goods and Services are the agency average of \$5,224 per direct program FTE. Also included are AGO costs of \$73,000 in FY25 to support permit reissuance.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

Strategic Framework:

This request is essential to achieving the Governor's Results Washington Goal 3: Sustainable Energy and a Clean Environment and Ecology's Goal 3: Prevent and reduce toxic threats and pollution because it will fund the resources that Ecology needs to reissue the Hanford dangerous waste permit, which is essential for controlling and enforcing Hanford facilities that treat, store, and dispose of radioactive mixed waste and their facility emissions. Without the successful reissuance of this permit, radioactive mixed waste may not be stored, treated, and disposed of within regulations designed to protect human health and the environment.

This request is essential to achieving Ecology Goal 1: Support and engage our communities, customers, and employees because it will fund the resources needed to provide direct communications support for community, customer, and employee engagement. The reissuance process requires extensive and essential public outreach and Tribal engagement, including developing supporting material such as publications and content for web pages. Existing resources cannot sufficiently support these efforts.

Performance Outcomes:

The outcome of this request will be reissuance of the Hanford dangerous waste permit by September 2026, which will put in place facility-specific operational requirements for all facilities on the Hanford Site. Renewing the current permit will result in a more consistent, enforceable, and implementable regulatory tool for each facility. It will provide capacity to support new workloads associated with the Hanford air operating permit and Perma-Fix Northwest dangerous waste permit. This will improve control over how facilities treat, store, and dispose of their radioactive mixed waste, which will help prevent pollution of air, land, and water.

Equity Impacts

Community outreach and engagement:

Ecology's Nuclear Waste Program regularly conducts community outreach and engagement efforts to those who have been or stand to be affected by the Hanford Site. These communities are highly impacted by the timely cleanup of Hanford contaminants. This request will create capacity to more effectively and strategically engage communities impacted by Hanford.

The legacy of environmental contamination from Hanford and ongoing environmental and public health risks have regional effects on economic and community wellbeing. These effects disproportionately impact people already overburdened by environmental and health concerns. This population faces numerous barriers to accessing government information or services such as:

- Information about the Hanford Site.
- Information about potential health risks.
- Information about public involvement opportunities.

Requested communications resources will support Ecology in pursuing and implementing new environmental justice initiatives that will generate awareness of the Hanford Site and the potential health risks that the Site's contaminants pose. Staff will encourage participation from marginalized communities in the surrounding area with environmental justice concerns that historically have been left out of decision-making through lack of dedicated outreach and consideration for cleanup actions. This will be done through community outreach and education, public meetings and events, and productions of publications in multiple languages.

Disproportional Impact Considerations:

If funded, this request will result in more effective permitting across the Hanford Site. This will result in better continuity of cleanup operations and the storage, treatment, and disposal of radioactive mixed waste. As far as we can reasonably foresee, this request does not make decisions that are anticipated to result in negative health impacts and environmental burdens or harm.

Target Populations or Communities:

Delays and appeals that occur in the permit reissuance process may cause significant delay in operations and cleanup, substantially impeding USDOE and Ecology's combined efforts to meet cleanup milestones. Missed cleanup milestones and consistent underfunding at the Hanford Site exponentially increase overall costs, delay cleanup completion, and expose surrounding populations to environmental and health risks, such as continued radioactive and hazardous waste contamination of soil, groundwater, and the Columbia River. Those most vulnerable to harmful impacts from potential environmental and health threats created by Hanford waste are Tribal and indigenous people, overburdened communities, and low-income populations.

Hanford lies on lands taken from the Yakama Nation, Nez Perce Tribe, and Confederated Tribes of the Umatilla Indian Reservation. The Wanapum Band is not a federally-recognized Tribe, but state law recognizes the Tribe's right to permits for taking salmon and other freshwater fish for ceremonial and subsistence purposes. These Tribes and Bands use natural resources on and adjacent to the Hanford Site, and contamination from dangerous waste poses a potential threat to people hunting, gathering, and fishing in the area.

Ecology regularly engages with the Yakama Nation, Nez Perce Tribe, and Confederated Tribes of the Umatilla Indian Reservation on Hanford cleanup issues. All of these indigenous populations have expressed significant interest in the restoration of lands historically inhabited as their ancestral territory.

Furthermore, communities adjacent to Hanford with language barriers do not receive comparable or adequate information sharing on the risks that Hanford poses. The Hanford Site is in Benton County, where 26 percent of the population has been identified as low-income. People of color make up 32 percent of the population, and 23 percent of the total county population are Hispanic. Seventeen percent of the population speak Spanish at home. According to the Washington State Department of Health's Environmental Health Disparities Map, this puts much of the county in the top 10 to 20 percent for communities of color.

Just across the Columbia River is Franklin County, another community incredibly invested in the cleanup of the Hanford Site. Thirty-four percent of the Franklin County population have a low-income, and 61 percent of people in this county are people of color. Fifty-four percent of the total population are Hispanic, 45 percent of homes speak Spanish, and 49 percent of homes speak languages other than English.

One of the closest cities to Hanford is Mattawa in Grant County. Mattawa has about 4,600 people. Of that, 98 percent identify as Hispanic, 61 percent are low-income, 76 percent have less than a high school education, and 52 percent speak languages other than English.

Conducting effective community outreach and publication production will allow local communities and groups to be engaged in the decision-making process and increase awareness of Hanford and the risks its contamination poses. This request will reduce language access barriers by increasing multi-lingual publication production and community outreach.

The following link provides further insight into the many communities at risk from Hanford

contaminants: <https://apps.ecology.wa.gov/publications/UIPages/SummaryPages/2205009.html>

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

Ecology and USDOE have worked to develop a permit management project plan. Ecology has notified USDOE of permit support resource requirements via permit discussion, management discussions, and budget briefings. Ecology anticipates support from EPA regarding environmental justice initiatives since the outcome of this request will align with Ecology's and EPA's Performance Partnership Agreement (Chapter 4).

Environmental Performance Partnership Agreement between the Department of Ecology and the Environmental Protection Agency (2023-2025 Biennium): <https://apps.ecology.wa.gov/publications/UIPages/SummaryPages/2301003.html>

Ecology regularly engages with the Yakama Nation, Nez Perce Tribe, and Confederated Tribes of the Umatilla Indian Reservation on Hanford cleanup issues. Ecology anticipates support from intergovernmental stakeholders, because the new resources will ultimately help lead to quicker permit reissuance for an updated, effective permit that will advance cleanup and protect local communities and the environment, and also better engagement with impacted Hanford communities and specifically the ability to better reach those historically underserved and overburdened.

Stakeholder Response:

Ecology expects stakeholder groups, such as those on the Hanford Advisory Board and the Oregon Hanford Cleanup Board, to support this request because it will aid in progressing cleanup timelines that directly align with the goals and initiatives of these groups.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Hanford Dangerous Waste Permit-HEAL Attachment.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$165	\$165	\$165	\$165	\$330
Obj. B	\$0	\$59	\$59	\$59	\$59	\$118
Obj. E	\$0	\$84	\$84	\$10	\$10	\$20
Obj. G	\$0	\$3	\$3	\$3	\$3	\$6
Obj. J	\$0	\$2	\$2	\$2	\$2	\$4
Obj. T	\$0	\$67	\$67	\$67	\$67	\$134

Agency Contact Information

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Hanford Dangerous Waste Permit 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**Hanford Dangerous Waste Permit
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

The Hanford site is one of the largest cleanup sites in the world. The site, throughout its existence, has released radioactive and hazardous waste contaminants into the soil, air, groundwater, and the Columbia River; and will continue to do so until cleanup is completed.

Many of the communities surrounding the Hanford site are also at risk of these contaminants if there is a major infrastructure collapse. Those most vulnerable to harmful impacts from potential environmental and health threats created by Hanford waste are Tribal and indigenous people, overburdened communities, and low-income populations.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

Tribal Nations were forcibly removed from their lands and restricted access from what is now the Hanford site. Until cleanup is complete, they will continue to face restrictions. Tribal Nations adjacent to the Hanford site have a vested interest in the restoration of lands that the Tribes have treaty rights to.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

While we have not engaged with the Tribes specifically on this proposal, we anticipate their support as the tribes have expressed significant interest in the oversight and thorough cleanup of contaminated areas that once provided hunting, gathering and cultural resources for multiple sovereign Tribes and Nations.

We do have routine engagement with the Tribes via the Hanford Advisory Board and upon request from the Tribes as needed regarding Rev. 9 and other topics as identified in their request. We also have monthly meetings with the Yakama Nation and Nez Perce Tribes that have treaty rights to the Hanford Site. We provide routine permitting updates at those meetings and any specific permitting topics as requested by the Tribal Nations.

The Tribal Nations are supportive of Rev. 9 being ready for public comment in 2024 which then aligns with the reissuance by September of 2026. Revision of the permit will include new units that treat, store, or dispose of dangerous waste on the Hanford site that have not been permitted. By getting this permit done as accurately and timely as possible this will align with Tribal Nations interest in commenting on these permits that greatly impact the Hanford site.

**Hanford Dangerous Waste Permit
2024 Supplemental Budget HEAL Act Template**

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No. This request is not a significant agency action under the HEAL Act.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

Department of Ecology
2024 Supplemental Operating Budget
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Agency Recommendation Summary

On May 25, 2023, the United States' Supreme Court issued a decision in *Sackett v. EPA*, which significantly affects the scope of the Clean Water Act and reduces the types of water bodies, including most wetlands, that are federally protected. However, the state's Water Pollution Control Act (Chapter 90.48. RCW) still provides protection for all Washington wetlands and waters. Prior to the change in the Waters of the United States definition, the U.S. Army Corps of Engineers issued permits for projects that could impact these waters. But now that federal permits are no longer available for certain waters, the state will have to provide authorization, via administrative orders or an eventual permit before such projects can proceed legally. This will result in a significant new workload for the state, and Ecology is requesting funding for additional staff to address the increase in state authorizations that will be needed. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (Model Toxics Control Operating Account)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	15.2	7.6	16.8	13.8	15.3
Operating Expenditures						
Fund 23P - 1	\$0	\$2,408	\$2,408	\$2,656	\$2,188	\$4,844
Total Expenditures	\$0	\$2,408	\$2,408	\$2,656	\$2,188	\$4,844

Decision Package Description

Background:

Enacted by Congress in 1972, the federal Clean Water Act (CWA) is one of the nation's capstone environmental regulations. The CWA established the basic structure for regulating pollution discharges to waters of the United States (WOTUS), and for setting water quality standards for U.S. surface waters. In January 2023, the Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps) adopted an updated federal definition of WOTUS to clarify what waters are subject to federal jurisdiction and, until very recently, almost all surface waters in Washington had been regulated as WOTUS.

Under Section 401 of the CWA, those seeking permission from a federal agency (permit or license) to undertake a project, action, or activity that could result in a discharge to U.S. waters must request a Section 401 water quality certification from the state or Tribal government where the discharge would occur. Under this program, applicants with projects seeking to fill wetlands or other waters in Washington would request a Section 404 federal permit from the Corps, and a Section 401 water quality certification from Ecology. In the few cases where projects were proposed in non-federally regulated waters, Ecology would provide state authorization by issuing an administrative order under RCW 90.48.120.

However, on May 25, 2023, the Supreme Court of the United States (Court) issued a ruling in *Sackett v. EPA* (<https://www.epa.gov/system/files/documents/2023-05/Sackett%20Opinion.pdf>) that redefined what qualifies as WOTUS under the CWA, and significantly reduced the number of wetlands and streams given federal protection. Waters no longer defined as WOTUS include:

- Floodplain wetlands.
- Wetlands behind dikes.
- Depressional wetlands not directly connected to a stream.
- Ephemeral streams.
- Interdunal wetland systems along the outer coast without a direct connection to a WOTUS.

Wetlands cover more than 900,000 acres in Washington, and account for about two percent of the state's total land area. These wetlands help absorb the impacts of floods, provide erosion control, filter and clean stormwater runoff, recharge our underground sources of drinking water, and offer essential habitat for salmon, birds, and other wildlife.

Ecology conducted a Geographic Information System (GIS) analysis that shows at least 50 percent of Washington's wetlands, and 14 percent of its streams, have now lost federal protection under the CWA because of the Court's ruling. Please note: GIS data used in the analysis did not reflect all types of wetlands and waters losing federal protection because the resolution of available data did not allow for a detailed analysis.

On August 29, 2023, EPA and the Corps issued a final rule amending the scope of WOTUS as defined in the January 2023 WOTUS rule. The final amended rule conforms the definition of WOTUS to the *Sackett v. EPA* decision, in which the Court held that only wetlands with a continuous surface connection to a WOTUS., and relatively permanent waters connected to traditionally navigable waters, are to be regulated as

jurisdictional waters. Consistent with the Court's decision, the final amended rule provides the following key changes to the scope of WOTUS:

- Removes regulatory text that had implemented the "significant nexus" test previously used to identify certain waters, such as tributaries, wetlands, and intrastate lakes and ponds, as federally protected under the CWA.
- Narrows the definition of federally regulated "adjacent" wetlands to mean only wetlands that have a continuous surface connection to jurisdictional waters.
- Removes interstate wetlands as WOTUS.

Previous Federal Actions Impacting Wetlands

It is important to note that the Court's *Sackett v. EPA* decision isn't the first time the definition of WOTUS has been changed recently by federal action. In June 2020, EPA's Navigable Waters Protection Rule (NWPR) went into effect and changed the definition of WOTUS to also exclude many wetlands and other waters from federal protection. The EPA rule was similar to the Court's recent ruling, but not as drastic a change.

In response to the 2020 EPA rule, Ecology requested and received funding in the 2021-23 operating budget for fiscal years 2022 through 2024 to process administrative orders for proposed projects in waters no longer federally protected under NWPR, and explore development of a permit program. In August 2021, NWPR was vacated, and the definition of WOTUS reverted to its previous definition.

However, permit determinations made by the Corps between June 2020 and August 2021, when NWPR was in effect, were not revisited once the rule was vacated. Therefore, those projects that the Corps failed to permit still needed state authorization from Ecology to proceed legally. Staff supported by Ecology's 2021-23 budget request issued an average of 22 administrative orders per year during fiscal years 2022 and 2023 for projects affecting waters that were not protected under the CWA while NWPR was in place. These staff also helped respond to an increase in environmental complaints from inadvertent and/or deliberate violations that were reported to Ecology last biennium.

Problem:

Unfortunately, unlike the NWPR, the *Sackett v. EPA* decision can't be undone without congressional intervention or future action by the Court, which is not likely to occur. The Court's decision in May, and subsequent final rule from EPA and the Corps in August, mean that many wetlands and waters across Washington no longer have federal protection under the CWA. Moving forward, those with proposed projects affecting these now non-federally protected wetlands and waters will not be required to apply for and obtain a federal CWA Section 404 permit from the Corps, or a section 401 water quality certification from Ecology, to move forward with their project.

However, Washington's wetlands and waters are still protected under several state laws, including the state's Water Pollution Control Act (Chapter 90.48 RCW), and before projects can proceed, project proponents will now need to receive a state authorization from Ecology through an administrative order, or eventual state permit. In essence, due to the change in the WOTUS definition, the federal permitting requirement has been replaced by a new state permitting requirement, which will represent a significant workload shift between the federal government and state.

Ecology does not currently have a program in place to permit projects that were previously permitted by the Corps. Until Ecology can establish a longer-term solution, such as a permit program, our only option is to issue administrative orders under the enforcement provision of RCW 90.48.120. Under the Water Pollution Control Act framework, Ecology will need to review and, where appropriate, provide an authorization for the project proponents to legally work in these non-federally regulated wetlands and other waters of the state.

Under Chapter 90.48 RCW, Ecology must safeguard waters of the state from all discharges and potential discharges of pollution that can affect water quality to protect aquatic life and beneficial uses. However, some impacts to state waters must be allowed; otherwise, essential development activities and commerce within the state will be severely restricted. Therefore, Ecology must ensure authorizations issued contain the provisions necessary to guarantee that beneficial uses of state waters are maintained.

Ecology anticipates a significant increase in the number of projects needing individual administrative orders moving forward. Based on an analysis of permit data from Ecology's Aquatics Database, and about 200 permit actions taken by the Corps between January 2022 and August 2023, Ecology estimates between 50 to 100 projects will now need administrative orders each year. This represents an increase of 30 to 80 new orders needed per year over the 2021-23 biennium.

Furthermore, based on complaint data from Ecology's Environmental Reports Tracking System (ERTS) from July 2019 through June 2023 (including the brief time that the NWPR was in effect), we also expect an increase in inadvertent violations, where proponents discover they do not need a federal permit, and proceed to implement their project assuming that no other authorization is needed. Based on ERTS data, the number of complaints reported to Ecology for wetlands has increased from 181 in fiscal year 2020 to 258 in fiscal year 2023.

This increase in violations will require additional outreach, follow-up, technical assistance, and compliance work from Ecology. Please note, while the ERTS data indicates that we can anticipate an increase in inadvertent violations, it is difficult to predict exactly how many violations may occur due to the variable nature of development, and the indeterminate nature of how well messaging around the need for a state authorization is being received.

If Ecology attempted to do this new work within existing resources, there would be significant delays for project proponents and increased risk to the state's wetlands and streams no longer protected under the new WOTUS definition. Additional staff and resources are needed to 1) meet

the marked increase in workload demand for administrative orders; and 2) develop a more streamlined and effective permit program as the long-term solution.

Proposed Solution:

To address these needs, Ecology is requesting additional staff and resources to meet the immediate demands for increased administrative orders, provide outreach, education, and technical assistance to project proponents; and respond to violations.

Requested staff will also support the longer-term implementation of agency request legislation (see *Attachment A*) that has been submitted for consideration during the 2024 session, which would direct Ecology to develop and implement a new dredge and fill permit program. The new program would provide a more streamlined process for state review and regulation of non-federally regulated projects with the potential to impact state waters. Please note: While the request legislation bill does not specify that program implementation must be done through rulemaking, only the associated fee, Ecology assumes it would complete rulemaking to create the new permit program.

Immediate Need – Administrative Orders, Technical Assistance, Compliance

Based on the agency's request legislation bill that complements this Decision Package, Ecology estimates it will take two years (fiscal years 2025 and 2026) to complete the rulemaking process needed to establish a new dredge and fill permit program. Until then, Ecology will need to provide state authorizations for projects impacting state wetlands and other waters via administrative orders.

Ecology received funding to support 2.5 direct FTEs for fiscal years 2022 through 2024 to issue administrative orders for projects that no longer qualified for a federal permit under NWPR. As noted above, these staff issued an average of 22 administrative orders per year over fiscal years 2022 and 2023 (average of 8.1 orders per FTE per year). Moving forward, now that projects will no longer be able to use the streamlined federal permitting process due to the Court's decision, and will require authorizations through the state, additional staff are needed, beginning in fiscal year 2025, to:

- Review and issue individual administrative orders for the increase in projects with minor impacts that previously would have received a streamlined Corps permit.
- Review and issue individual administrative orders for more complex projects affecting non-WOTUS wetlands and waters.
- Issue individual administrative orders for projects affecting both WOTUS and non-WOTUS waters. In the past, if a project affected both WOTUS and non-WOTUS waters, it was eligible for the federal streamlined permitting process, but under the new WOTUS definition, that is no longer the case.

Based on the estimated number of administrative orders needed per year (50-100; a 30-80 increase over 2021-23), and the complexity associated with issuing and ensuring compliance with these orders, Ecology is requesting 10 additional FTEs, beginning in fiscal year 2025, to issue and administer these orders, while the permit program is developed.

Two of the requested positions (Environmental Specialist (ES2)) will do the initial processing and data entry for administrative order applications, and two other positions (ES4) will serve as in-water/wetland specialists and review and issue administrative orders for routine and moderately complex projects. This work includes:

- Screening applications for complexity and assignment.
- Data entry in the Aquatics Database.
- Attending pre-application meetings as needed.
- Technical review of proposals.
- Written comments on any deficiencies in proposals.
- Written requirements for ensuring projects meet state water quality standards.
- Issuing administrative orders.
- Compliance and enforcement of administrative orders.
- Compliance and enforcement of inadvertent violations.

Three of the requested positions (ES4) will serve as field staff who will review and provide regulatory decisions on complex projects, while supporting the transition from federal to state regulation for proponents and projects affecting non-WOTUS wetlands and waters. This work includes:

- Giving technical assistance to project proponents.
- Performing public outreach to affected communities on the new permit program, wetland values, and water protection law.
- Attending pre-application meetings as needed.
- Providing technical review of proposals.
- Performing site investigations.
- Writing comments on any deficiencies in proposals.
- Writing requirements and permit conditions to ensure projects meet state water quality standards.

- Issuing administrative orders.
- Ensuring compliance and enforcement of administrative orders.
- Investigating complaints of violations of state law.
- Performing compliance and enforcement actions for violations of state law.

One position (ES3) will coordinate environmental complaints. This work includes:

- Tracking environmental complaints in the ERTS database.
- Contacting complainants and subjects of complaints for information.
- Coordinating with local governments on violations.
- Investigating to verify if unauthorized work has occurred.
- Assisting field staff as they investigate large violations and enforcement actions.

Projects that unavoidably affect wetlands are required under the Water Pollution Control Act to provide compensatory mitigation for those impacts. Compensatory mitigation projects required under administrative orders must be monitored post-construction to make sure the mitigation project is successful. (<https://apps.ecology.wa.gov/publications/summarypages/2106003.html>) To ensure these compensatory mitigation requirements and other conditions are achieved, two of the requested positions (ES4) will conduct follow-up and wetland mitigation compliance activities for issued administrative orders. This work includes:

- Reviewing orders for mitigation conditions.
- Reviewing monitoring reports.
- Writing comments on any deficiencies.
- Reviewing and obtaining legal review of mechanisms for permanent protection.
- Performing site reviews.
- Writing comments and making recommendations from site reviews.
- Assessing whether a site has attained its performance targets.
- Conducting close-out activities to end permittees' obligations.

Once a dredge and fill permit program is established, these requested staff will transition from administrative orders work to implementing the new permit program.

Long-Term Solution – New Dredge and Fill Permit Program

While Ecology's ability to issue individual administrative orders provides needed environmental protections in the near-term, that process is less effective than a more traditional permitting program would be. Establishing a permit program for wetlands and state waters no longer regulated as WOTUS will provide greater transparency and predictability for the regulated community, along with a more efficient pathway for authorizing specific types of actions or projects under certain thresholds.

Under a permit program structure, each project will be reviewed using agency guidance and best available science. Through the rulemaking process that supports the agency's request legislation bill, Ecology would develop discrete, transparent criteria and thresholds for permit decision-making. To support the agency's request legislation bill, and implementation of a future dredge and fill permit program, Ecology will need additional staff and resources in fiscal years 2025 and 2026 to complete rulemaking. Additional resources would also be needed, starting in fiscal year 2028, and every two years thereafter, to update the fee rule.

Additional IT staff will also be needed on an ongoing basis, starting in fiscal year 2026, to update Ecology's existing Aquatics Database with new fields for tracking permit data, develop an online web application portal, and perform ongoing maintenance for the updated system and permit program.

Please note, the requested resources in this Decision Package are more than the request and funding received in 2021-23 to address similar changes under the NWPR. This is because:

- The *Sackett v. EPA* decision has a much more extensive and adverse impact to federal jurisdiction and which waters are protected than NWPR did.
- The Corps has provided permit data that gives a more complete picture of the workload coming to the state, and staffing levels needed to address it. This request uses that information to inform the basis for the requested resources needed to process and implement these orders.
- We learned from our work on the NWPR that technical assistance, compliance, and outreach activities are necessary to fully respond to these types of changes at the federal level. According to data from ERTS, during the short time the state was under the NWPR (June 2020-August 2021), the number of wetland-related complaints increased by 40 percent compared to the previous year. We used this data to help estimate the number of staff needed to provide outreach, education, technical assistance, and respond to violations appropriately.

- Because there was a chance that the NWPR would get vacated, which it did, our 2021-23 budget request did not include resources needed to develop and implement a new permitting program. As we identified in that request, for fiscal year 2021, Ecology redirected 2.25 existing FTEs, on a one-time basis, to start working on the beginning stages of rulemaking, and what a state permitting program might look like. However, once the NWPR was vacated, this work was suspended.

Impacts on Population Served:

Having available, clean water is a right shared by all Washingtonians. Protecting wetlands and other state waters helps to ensure pollutants and sediments are removed from surface waters so residents have clean, clear water for drinking, shellfish operations, and recreational uses.

Depressional wetlands no longer protected under the new WOTUS definition play an important role in flood abatement and drought resilience. Depressional wetlands store, treat, and slowly release water, helping to reduce flooding. The loss of upslope depressional wetlands can result in greater flooding and associated damages. Because depressional wetlands store water, releasing it slowly during the summer, streams maintain base flows that support salmon and bull trout.

Wetlands within and downstream of urban areas are particularly valuable, counteracting the greatly increased rate and volume of surface-water runoff from pavement and buildings. The holding capacity of wetlands helps control floods and prevents crop waterlogging. Preserving and restoring wetlands, together with other water retention efforts, can often provide the level of flood control otherwise provided by expensive dredge operations and levees. Wetlands are an effective and economical way to enhance community safety while improving quality of life.?

More than one-third of the threatened and endangered species in the U.S. live only in wetlands, and nearly half of them use wetlands at some point in their lives. (<https://www.fws.gov/story/2023-04/why-healthy-wetlands-are-vital-protecting-endangered-species>). Endangered and threatened fish like salmon, trout, and steelhead rely on wetlands as a safe place for juveniles to feed and grow. Many other animals and plants depend on wetlands for survival. Estuarine and marine fish, various birds, and certain mammals need coastal wetlands to survive. Shrimp, oysters, clams, and Dungeness crabs also need these wetlands for food, shelter, and breeding grounds.

While the methods to restore wetlands have significantly advanced over the years, wetland habitats are difficult to replace fully. Protection from loss is our most efficient and effective management approach to maintaining the wide variety of ecosystem services provided by healthy wetlands. In addition to ecosystem services, wetlands provide important places for the public to recreate; bird watching, fishing, hunting, and exploring are all common activities in wetlands and their related waters.

Alternatives Explored:

This budget request is the best option for addressing the increased workload demand for administrative orders, and establishing a long-term regulatory structure to ensure that state waters are protected. Below are details on several alternatives to this request that Ecology explored.

Alternative 1: Do not develop a permit program, and issue administrative orders on an individual basis within current staffing levels.

This alternative is not viable because it would not address the impacts from an increased number of state authorizations that Ecology must issue, resulting in the inability to process administrative orders in a timely manner. Without additional staff in combination with the increased demand for administrative orders, applicants would experience significant delays in receiving state authorization. Timely regulatory processes are critical for a successful economy. Delays experienced by applicants result in increased costs and in some cases project withdrawal. In addition, increased staffing is needed to address the anticipated increase in workload related to compliance and enforcement for inadvertent violations.

The absence of an eventual permit program, combined with no additional staff, would also fail to address the anticipated increase in compliance and enforcement workload coming to the state, resulting in greater impacts to the state wetlands, streams, and overall environment. Project proponents who currently utilize the Corps programmatic permits for significant projects include the Washington State Department of Transportation, housing developers, commercial developers, and city and county public works departments.

Alternative 2: Don't develop a dredge and fill permit program, but increase staffing to address demand for administrative orders.

Increased staffing would help alleviate delays, but the administrative order process would remain an inefficient, less predictable regulatory approach over a more traditional permit program. The lack of transparent process and predictable decision making associated with the administrative order process is neither streamlined, predictable, effective, or efficient. Development thrives when processes are clear and predictable. This option would only address the workload associated with continuing to issue orders, but not the efficiencies that could be addressed by a permit program.

Alternative 3: Attempt to develop a dredge and fill permit program with current staffing levels.

Establishing a permit program would enable Ecology to set criteria for a general permit, standards of review, and what constitutes a complete application in rule. Having clear criteria for evaluating projects would help streamline the authorization process for both applicants and Ecology reviewers.

However, without increased staff resources, industry would experience significant delays in processing state permits and addressing compliance.

Delays resulting in project approval means higher costs and project jeopardization, and it hinders economic development. If proponents are unable to get their permit in a timely manner, they may choose to violate the law and hope they don't get caught. Without resources for compliance and enforcement activities, we would see impacts to water quality and more wetland losses.

Consequences of Not Funding This Request:

If this request is not funded, Ecology would still need to issue administrative orders for all projects affecting state waters that no longer require a federal permit; otherwise, the project proponents would be violating state law. Chapter 90.48 RCW is clear that it is unlawful for any person to throw, drain, run, or otherwise discharge into any of the waters of the state.

With the Court's revised definition of WOTUS, there will be an increase in the number of state authorizations needed, because all projects, no matter the size, will require state authorization.

Without additional staffing, projects would experience delays and increased costs while they await review and issuance of an administrative order. Furthermore, the lack of an eventual permit program means that we're unable to set thresholds for a subset of reviews that may qualify for a streamlined review and issuance of the authorizations as opposed to a standard review.

Delays for projects awaiting state authorizations would mean less predictable reviews, higher costs, and increased risk and uncertainty to the development community. Wetland losses due to unauthorized impacts adversely affect communities across Washington through heightened flood risks, unfiltered water, lost habitat values, and fewer recreational opportunities. Loss of wetlands would be especially critical for drought resilience in Washington, where wetlands store surface flows and slowly release them as base flows in many streams. These flows are needed to augment stream flows during times without precipitation.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands Activity A038 – Protect, Restore, and Manage Wetlands by providing additional staff to help meet the increased demand for administrative orders so that projects impacting wetlands and other waters of the state that are no longer regulated as WOTUS can proceed legally. This request also provides staff and resources on a limited time basis for the rulemaking process supporting the agency's request legislation bill for establishing a new dredge and fill permit program.

Only a portion of the resources in Activity A038 are for work related to administrative orders. Other resources in Activity A038 are:

- Staff who provide technical assistance to local governments on their shoreline master program updates as related to wetlands.
- Critical areas ordinance implementation and updates.
- Support in use of best available science and wetland management tools.
- Performing compliance monitoring of wetland mitigation sites.
- Wetland mitigation banking certification.

Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is also in the agency's Administration Activity A002 and isn't included in the totals below.

A038 - Protect, Restore, and Manage Wetlands		
	2021-23	2023-25
FTEs Total	31.8	33.0
001-2 General Fund Federal	\$9,629,000	\$9,774,000
001-7 General Fund Private Local	\$200,000	\$184,000
23P-1 Model Toxics Control Operating - State	\$5,141,000	\$6,034,000
TOTAL	\$14,970,000	\$15,992,000

Detailed Assumptions and Calculations:

Beginning July 1, 2024, and ongoing, Ecology requires salaries, benefits, and associated staff costs for 11 additional positions to meet the increased demand for administrative orders so that projects impacting wetlands and other waters of the state no longer regulated as WOTUS can proceed. The new ongoing positions supported by this request include:

- 2.0 FTEs Environmental Specialist 2
- 7.0 FTEs Environmental Specialist 4

- 1.0 FTE Environmental Specialist 3
- 1.0 FTE WMS Band 1 Unit Supervisor

These new staff will be responsible for the following activities:

- Initial processing and data entry for administrative order applications.
- Reviewing and issuing administrative orders for routine and complex projects.
- Supporting transition from federal to state regulation of these non-federally regulated wetlands and waters.
- Responding to unpermitted work within waters of the state.
- Assisting with enforcement of violations of state law.
- Conducting outreach to affected communities.
- Data entry into Ecology's ERTS and coordinating environmental complaints.
- Triaging incoming wetland complaints.
- Coordinating with local governments.
- Conducting follow-up and wetland mitigation compliance activities for the administrative orders
- Implementing the permit program.

Once a dredge and fill permit program is established, the staff above will transition from administrative orders work to implementing the new permit program.

Beginning July 1, 2024, and ongoing, the Attorney General's Office (AGO) estimates a need of 1.0 Assistant Attorney General (AAG) FTE at a cost of \$297,000 per year to assist Ecology with the review and issuance of administrative orders/permits, as well as legal proceedings for violations that occur. These resources will also assist Ecology in fiscal years 2025 and 2026 with the rulemaking process that supports the agency's request legislation bill for establishing the new dredge and fill permit program.

Beginning July 1, 2025, and ongoing, Ecology also requires salaries, benefits, and associated staff costs for 1.0 FTE IT Application – Journey to update Ecology's existing Aquatics Database with new fields for tracking permit data, develop an online web application portal, and perform ongoing maintenance for the updated system for the permit program.

Please note, because the work supported by this request represents either entirely new, or significantly expanding work for Ecology, should future workloads dictate the need for additional resources, we would request those through future budget requests.

In addition to these ongoing resources, beginning July 1, 2024, through June 30, 2026, Ecology requires salaries, benefits, and associated staff costs for the following resources to complete rulemaking that would support the agency's request legislation bill for developing and implementing a new dredge and fill permit program:

- Fiscal years 2025 and 2026:
 - 0.75 FTE Environmental Planner 3
 - 0.75 Environmental Planner 5
 - 0.35 FTE Environmental Planner 4
 - 0.20 FTE Environmental Specialist 5
 - 0.20 FTE Communications Consultant 5
- Only fiscal year 2026:
 - 0.25 FTE Economic Analyst 3
 - 0.10 FTE Regulatory Analyst 2
- Fiscal year 2028, and every two years thereafter:
 - 0.5 FTE Environmental Planner 3

These staff will complete the following tasks:

- Conducting Tribal coordination.
- Holding preproposal meetings.
- Conducting an environmental justice assessment.
- Writing the rule.
- Holding public hearings.
- Accepting and responding to comments on the rule.
- Supporting public engagement and outreach during rulemaking and program development.

- Completing rulemaking.

During fiscal years 2025 and 2026, Ecology will also require one-time funding to announce and host outreach sessions in environmental justice communities and public hearings to support the rulemaking process. These costs are shown in Object E, Goods and Services. Due to the controversial nature and complexity of the topic area, Ecology will also require funding to contract with a facilitator for the public meetings and outreach sessions. These costs are shown in Object C.

For the purposes of this Decision Package, all costs are shown in the Model Toxics Control (MTCA) Operating Account, which currently supports Ecology's activities to protect, restore, and manage wetlands. Future expenditures supported from the new Dredge and Fill Permit Fee Account that would be created under section 3 of the agency's request legislation bill are currently indeterminate. At this time, the level of new costs supported by the new account to implement the permit program is unknown. Ecology will request additional resources and/or a shift of costs supported in this Decision Package to the new account through future budget requests once the outcome of the rulemaking process is known and the permit program is established.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		1,126,354	1,266,295	1,018,037	1,061,395	1,018,037
B	Employee Benefits		405,486	455,865	366,492	382,101	366,492
	Personal Service						
C	Contract		12,600	6,300			
E	Goods and Services		372,218	376,270	359,688	362,300	359,688
G	Travel		20,710	22,820	18,756	19,538	18,756
J	Capital Outlays		13,660	15,052	12,372	12,888	12,372
T	Intra-Agency Reimbursements		456,488	513,204	412,590	430,162	412,590
Total Objects			2,407,516	2,655,806	2,187,935	2,268,384	2,187,935

Staffing

Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
Environmental Spec 2	61,405		2.00	2.00	2.00	2.00	2.00
Environmental Spec 4	86,324		6.00	6.00	6.00	6.00	6.00
Environmental Spec 3	74,489		1.00	1.00	1.00	1.00	1.00
KING CO - ENVIRONMENTAL SPEC 4	90,640		1.00	1.00	1.00	1.00	1.00
WMS BAND 1	105,000		1.00	1.00	1.00	1.00	1.00
Environmental Planner 3	86,716		0.75	0.75		0.50	
Environmental Planner 5	105,612		0.75	0.75			
Environmental Planner 4	95,650		0.35	0.35			
Environmental Spec 5	95,387		0.20	0.20			
Economic Analyst 3	95,627			0.25			
Regulatory Analyst 2	88,798			0.10			
Communications Consultant 5	93,349		0.20	0.20			
IT APP DEVELOPMENT-JOURNEY	107,154			1.00	1.00	1.00	1.00
FISCAL ANALYST 2			1.33	1.46	1.20	1.25	1.20
IT APP DEVELOPMENT-JOURNEY			0.66	0.73	0.60	0.63	0.60
Total FTEs			15.24	16.79	13.80	14.38	13.80

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Contracts includes \$12,600 in fiscal year 2025 and \$6,300 in fiscal year 2026 for a facilitator to lead public hearings and outreach sessions associated with rulemaking.

Goods and Services are the agency average of \$5,224 per direct program FTE. Includes \$6,000 in fiscal year 2025 and \$3,000 in fiscal year 2026 for off-site meeting space rental for public meetings and outreach sessions associated with rulemaking. Includes \$1,500 in both fiscal years 2025 and 2026 for required public notices. Includes \$297,000 for AAG support per year, beginning in fiscal year 2025.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving the following Ecology goals:

- Goal 2: Reduce and prepare for climate impacts because it will help restore and conserve wetlands that can:
 - Help reduce floods, relieve droughts, and buffer coastlines from extreme weather.
 - Offset the impacts of sea level rise by providing areas for inundation and a buffer from storm surges.
 - Help mitigate water shortages by storing and slowly releasing water to maintain base flows in streams and provide water during increasing dry periods.
- Goal 3: Prevent and reduce toxic threats and pollution because it will:
 - Protect wetlands that protect human health and the environment by removing toxic pollutants such as sediment, nitrogen, and phosphorous from our waters.
 - Ensure proposed discharges into state-regulated wetlands and streams are evaluated so that state water quality is protected.
 - Ensure that impacts to wetlands and waters are avoided and adequately offset through compensatory mitigation so that their pollution reduction functions are maintained.
- Goal 4: Protect and manage our state waters because it will ensure wetlands in the Puget Sound basin are protected and potential impacts are mitigated to provide:
 - A sustainable source of clean water for agriculture and the shellfish industry.
 - The habitat and food web support for salmonids upon which the endangered Orca rely.
 - Habitat for a wide range of fish and wildlife species.
 - Reduced flood risk.

This request is also essential to achieving the following Governor's Results Washington goals:

- Goal 2: Prosperous Economy and Goal 5: Efficient, Effective, and Accountable Government because it will fund the development of a state-managed dredge and fill permit program. The new permit program will:
 - Reduce confusion for when a project proposal needs federal authorization and when it needs state-only authorization.
 - Reduce unpredictable review timelines and delays in receiving authorizations. This means continued economic growth.
 - Provide transparency, predictability, and efficiency to the process by setting thresholds and mitigation requirements and streamlining projects with known or minimal effects. (Similar to existing Corps' Nationwide Permits.)
- Goal 3: Sustainable Energy and a Clean Environment because it will fund the full-time staff Ecology needs to implement our interim and long-term proposed solutions and enhance our ability to effectively manage, protect, and restore wetland ecosystems and streams. Healthy wetlands are important for:
 - Maintaining clean water for all our communities, Tribes, and the shellfish industry.
 - Providing habitat for a wide range of plants and animals that are vital to our natural and built environment. Many of our threatened and endangered species depend upon wetlands for some part of their life cycle.

This request also directly implements the following recommended priorities and action areas in the 2021 Governor's salmon strategy update.

- Strategic Priority:
 - 1. Protect and restore vital salmon habitat
- Action Areas:
 - 1a. Regulatory protection

Performance Outcomes:

The outcome of this request will be protection of state waters, timely processing of administrative orders, and a new dredge and fill permit program that enables Ecology to be timely, efficient, and transparent in our decision making on dredge and fill proposals. Implementation will ensure state waters are protected and impacts are adequately offset so Washingtonians benefit from maintained wetland and stream functions and values.

Having predictable, timely review and issuance of administrative orders or permits will reduce delays and allow development to continue without the hurdle of delaying construction while awaiting authorization. Delays for projects increase costs in both materials due to inflation and personnel costs that are often passed down to the consumer.

Equity Impacts

Community outreach and engagement:

The need for this request originated on May 25, 2023, so Ecology has completed limited outreach so far. As part of the rule development and Environmental Justice Assessment processes that will be required under the agency's request legislation bill, staff will work with overburdened communities and vulnerable populations to discuss how the program could be leveraged to support communities. To enhance the delivery of our information, we will distribute educational materials and publications in relevant languages and use communication methods that support effectively reaching the local population. This includes engaging with community groups to support collaborative development with vulnerable populations.

To address barriers to participation, like transportation, we will have meetings in communities identified to seek their input. Ecology will offer Tribal consultation and coordination with Tribal governments and Tribal staff to evaluate any potential affects to Tribal rights, resources, and environmental health.

Disproportional Impact Considerations:

People living in low-lying areas subject to flooding will be most impacted by filling upslope wetlands. In low-income areas, residents may struggle to deal with the economic effects of flooding. When depressional wetlands are filled, they lose their capacity to hold back flows, and downstream flooding occurs. This request will support community environmental protection and economic resiliency.

Communities where English is not a primary language may experience adverse impacts from a reduction in wetlands, specific project impacts, and/or may experience insufficient communication about changes to process, procedures, or law. In communities where violations occur, there is a cost to restore the wetlands, which can overburden an economically stressed party or community. This request will support mitigating this cost.

Small agricultural producers dependent on irrigation water may suffer disproportionate impacts to their fiscal health due to crop failures from lack of water. As droughts come earlier and last longer, access to water is critical. Loss of wetlands that store and release water affects the amount of water available for irrigation and crop production. As wetlands are lost, surface flows in streams change, with more rapid runoff during the rainy season and reduced flows during the dry summer and fall. Reduced flows mean less irrigation water for crops. This request supports mitigation of these potential impacts.

Many shellfish farms are family-owned or tribally held businesses, are in areas with disadvantaged populations, and are an important employer in rural communities. The industry needs clean water as well as healthy shorelines and watersheds to cultivate and sell shellfish to consumers. Closing shellfish beds due to higher pollution levels will impact the ability of these small businesses to stay solvent. Reduction in water quality affects fish populations and the Tribes that depend upon them for subsistence. Polluted water also affects the health of Tribal members and residents living along watercourses.

Target Populations or Communities:

The eventual permit program will be in effect statewide. There are no specific target populations and communities, but this request will provide benefits for Tribal communities and for low-income populations affected by flooding. Ecology will engage with communities and consult with Tribes during rule development and implementation of the new permit program.

Other Collateral Connections

Puget Sound Recovery:

This request supports Puget Sound Action Agenda implementation through Ongoing Program: OGP_ECY10Shorelands - Wetland Technical Assistance and a number of Vital Signs, Strategies, Desired Outcomes, and Orca Task Force Recommendations included in the 2022-26 Action Agenda. See *Attachment B* for a complete list of linkages between this request and the agenda.

State Workforce Impacts:

N/A

Intergovernmental:

This request will affect the Washington State Department of Transportation (WSDOT), because of the work they do that's associated with construction projects and the need for authorizations to impact state waters. A permit program will provide predictability for the largest construction entity in the state. Any state agency, county, or city government that will affect waters of the state will need to obtain an authorization, such as an administrative order or permit for the work. We anticipate applicants will support using a streamlined, transparent, predictable process of a permit compared to the status quo of issuing administrative orders.

There could be improvements in Tribal engagement in our review of projects. The permit rule could specify a Tribal coordination process. We anticipate that Tribes will support better coordination and better stewardship of the natural resources by implementing an environmental protection program.

Stakeholder Response:

Stakeholders impacted include developers and anyone proposing to conduct an activity that will affect state waters. With additional resources, these stakeholders should see more timely decisions on projects and, with the permit rule, more transparent decision making and a clearer process. We anticipate some resistance to a fee permit rule, noting that it could increase the cost of housing or other development. However, the rule will provide more timely and predictable outcomes for development proposals, which may garner some industry support.

State Facilities Impacts:

N/A

Changes from Current Law:

Ecology will rely on the existing authority under Chapter 90.48 RCW to continue issuing administrative orders so projects that may impact waters no longer federally protected can proceed legally.

Ecology has submitted agency request legislation that would add a new section to Chapter 43.21A RCW to include findings that highlight the state's responsibility for protecting state waters, and direct Ecology to develop a new dredge and fill permit program with associated a fee-structure.

Legal or Administrative Mandates:

This request is a direct response to the Court's ruling in *Sackett v. EPA*. The ruling caused many wetlands and ephemeral streams to lose protection under the CWA. Since those waters are no longer WOTUS, they no longer need a federal permit. However, the state is mandated to protect water quality through the Water Pollution Control Act. Ecology must respond to requests with some type of authorization for work to occur in state waters and not violate state law. Having sufficient resources will allow Ecology to timely process administrative orders. Implementing a permit program will allow Ecology to create a streamlined approach to authorizing impacts to state-only wetlands and waters.

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Protecting State Waters-Attachment A.pdf](#)
[Protecting State Waters-HEAL Attachment.pdf](#)
[Protecting State Waters-IT Addendum.docx](#)
[Protecting State Waters-PS Attachment B.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$1,126	\$1,126	\$1,267	\$1,018	\$2,285
Obj. B	\$0	\$406	\$406	\$456	\$366	\$822
Obj. C	\$0	\$13	\$13	\$6	\$0	\$6
Obj. E	\$0	\$372	\$372	\$376	\$360	\$736
Obj. G	\$0	\$21	\$21	\$23	\$19	\$42
Obj. J	\$0	\$14	\$14	\$15	\$12	\$27
Obj. T	\$0	\$456	\$456	\$513	\$413	\$926

Agency Contact Information

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BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: Z-0445.2/24 2nd draft

ATTY/TYPIST: ML:eab

BRIEF DESCRIPTION: Creating a dredge and fill permit program and providing authority for a fee structure to support the program.

1 AN ACT Relating to creating a dredge and fill permit program and
2 providing authority for a fee structure to support the program;
3 reenacting and amending RCW 43.21B.110; adding new sections to
4 chapter 43.21A RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that the United
7 States supreme court issued the Sackett v. Environmental Protection
8 Agency ruling in May 2023 narrowing the definition of waters of the
9 United States to exclude many wetlands and other waters from
10 regulation under the federal clean water act. These waterbodies are
11 still protected under the state water pollution control act. The
12 Washington state department of ecology is obligated to review and,
13 where appropriate, provide an authorization for projects that propose
14 to work in these and other waters of the state. To address the
15 requirement to protect all state waters, the legislature finds there
16 is a need to develop and implement a dredge and fill permit program
17 that provides a streamlined process for state review and regulation
18 of nonfederally regulated proposals with the potential to impact
19 state waters.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.21A
2 RCW to read as follows:

3 (1) The department must implement a dredge and fill permit
4 program and establish a fee to collect expenses for issuing and
5 administering the program. In implementing the permit program, the
6 department is directed to consider options for streamlining the
7 permit process, including the development of general permits for
8 common project types such as restoration projects, culvert
9 replacement, and maintenance.

10 (2) An initial fee schedule must be adopted by rule and may be
11 adjusted no more often than once every two years. Fees charged must
12 be based on factors relating to the complexity of permit issuance.

13 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.21A
14 RCW to read as follows:

15 The dredge and fill permit fee account is created in the state
16 treasury. All receipts from the department of ecology dredge and fill
17 permit must be deposited into the account. Moneys in the account may
18 be spent only after appropriation. Expenditures from the account may
19 be used only for costs to administer the dredge and fill permit
20 program.

21 **Sec. 4.** RCW 43.21B.110 and 2023 c 455 s 5, 2023 c 434 s 20, 2023
22 c 344 s 5, and 2023 c 135 s 6 are each reenacted and amended to read
23 as follows:

24 (1) The hearings board shall only have jurisdiction to hear and
25 decide appeals from the following decisions of the department, the
26 director, local conservation districts, the air pollution control
27 boards or authorities as established pursuant to chapter 70A.15 RCW,
28 local health departments, the department of natural resources, the
29 department of fish and wildlife, the parks and recreation commission,
30 and authorized public entities described in chapter 79.100 RCW:

31 (a) Civil penalties imposed pursuant to RCW 18.104.155,
32 70A.15.3160, 70A.300.090, 70A.20.050, 70A.530.040, 70A.350.070,
33 70A.515.060, 70A.245.040, 70A.245.050, 70A.245.070, 70A.245.080,
34 70A.245.130, 70A.245.140, 70A.65.200, 70A.455.090, 70A.550.030,
35 70A.555.110, 70A.560.020, 76.09.170, 77.55.440, 78.44.250, 88.46.090,
36 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

37 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060,
38 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.300.120, 70A.350.070,

1 70A.245.020, 70A.65.200, 70A.555.110, 70A.560.020, 86.16.020,
2 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

3 (c) Except as provided in RCW 90.03.210(2), the issuance,
4 modification, or termination of any permit, certificate, or license
5 by the department or any air authority in the exercise of its
6 jurisdiction, including the issuance or termination of a waste
7 disposal permit or dredge and fill permit, the denial of an
8 application for a waste disposal permit or dredge and fill permit,
9 the modification of the conditions or the terms of a waste disposal
10 permit or dredge and fill permit, or a decision to approve or deny an
11 application for a solid waste permit exemption under RCW 70A.205.260.

12 (d) Decisions of local health departments regarding the grant or
13 denial of solid waste permits pursuant to chapter 70A.205 RCW.

14 (e) Decisions of local health departments regarding the issuance
15 and enforcement of permits to use or dispose of biosolids under RCW
16 70A.226.090.

17 (f) Decisions of the department regarding waste-derived
18 fertilizer or micronutrient fertilizer under RCW 15.54.820, and
19 decisions of the department regarding waste-derived soil amendments
20 under RCW 70A.205.145.

21 (g) Decisions of local conservation districts related to the
22 denial of approval or denial of certification of a dairy nutrient
23 management plan; conditions contained in a plan; application of any
24 dairy nutrient management practices, standards, methods, and
25 technologies to a particular dairy farm; and failure to adhere to the
26 plan review and approval timelines in RCW 90.64.026.

27 (h) Any other decision by the department or an air authority
28 which pursuant to law must be decided as an adjudicative proceeding
29 under chapter 34.05 RCW.

30 (i) Decisions of the department of natural resources, the
31 department of fish and wildlife, and the department that are
32 reviewable under chapter 76.09 RCW, and the department of natural
33 resources' appeals of county, city, or town objections under RCW
34 76.09.050(7).

35 (j) Forest health hazard orders issued by the commissioner of
36 public lands under RCW 76.06.180.

37 (k) Decisions of the department of fish and wildlife to issue,
38 deny, condition, or modify a hydraulic project approval permit under
39 chapter 77.55 RCW, to issue a stop work order, to issue a notice to

1 comply, to issue a civil penalty, or to issue a notice of intent to
2 disapprove applications.

3 (l) Decisions of the department of natural resources that are
4 reviewable under RCW 78.44.270.

5 (m) Decisions of an authorized public entity under RCW 79.100.010
6 to take temporary possession or custody of a vessel or to contest the
7 amount of reimbursement owed that are reviewable by the hearings
8 board under RCW 79.100.120.

9 (n) Decisions of the department of ecology that are appealable
10 under RCW 70A.245.020 to set recycled minimum postconsumer content
11 for covered products or to temporarily exclude types of covered
12 products in plastic containers from minimum postconsumer recycled
13 content requirements.

14 (o) Orders by the department of ecology under RCW 70A.455.080.

15 (2) The following hearings shall not be conducted by the hearings
16 board:

17 (a) Hearings required by law to be conducted by the shorelines
18 hearings board pursuant to chapter 90.58 RCW.

19 (b) Hearings conducted by the department pursuant to RCW
20 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100,
21 70A.15.3110, and 90.44.180.

22 (c) Appeals of decisions by the department under RCW 90.03.110
23 and 90.44.220.

24 (d) Hearings conducted by the department to adopt, modify, or
25 repeal rules.

26 (3) Review of rules and regulations adopted by the hearings board
27 shall be subject to review in accordance with the provisions of the
28 administrative procedure act, chapter 34.05 RCW.

--- END ---

Attachment B

Linkages to Puget Sound Action Agenda Implementation

This attachment provides additional supporting details for the following decision package (DP) as it relates to the Puget Sound 2022-2026 Action Agenda implementation.

DP Title: Protecting State Waters

Vital Signs

- Freshwater
- Streams and Floodplains
- Estuaries
- Forests and Wetlands
- Drinking Water

Strategies

- 4. Riparian Areas
- 7. Freshwater Availability
- 20. Climate Adaptation and Resilience
- 21. Sense of Place
- 22. Recreation and Stewardship

Desired Outcomes

- 2.2.5. Sites that support natural nutrient attenuation restored, enhanced, or created.
- 4.3.1. Increase the resilience of the Puget Sound ecosystem and recovery efforts by adapting to changing climate and ocean conditions when conducting protection and restoration activities.
- 5.1.1. Opportunities for stress reduction and motivation from natural environments for diverse human communities are enhanced.
- 5.2.3. Transparency in environmental and natural resource management decision making and the use of science is improved.
- 5.2.4. Trust is increased by including and communicating directly and effectively with new and diverse audiences.
- 5.3.2 Access to safe and more abundant local food harvests, such as fish, shellfish, and game, for human populations is increased.
- 5.5.1. Opportunities for multiple uses of open space, waterways, and other natural environments are recognized and increased.
- 5.6.2. Levels and patterns of contaminants in drinking water do not threaten Puget Sound communities or vulnerable populations with adverse health outcomes.
- 5.6.3. Levels and patterns of contamination in fish and shellfish harvested from Puget Sound waters do not threaten the health of Puget Sound communities or vulnerable populations.
- 5.6.4. Levels and patterns of pollutants and biotoxins in surface waters do not threaten the health of Puget Sound communities or vulnerable populations.

Ongoing Program

- OGP_ECY10Shorelands - Wetland Technical Assistance

Orca Task Force Recommendations

- 3. Apply and enforce laws that protect habitat.
- 4. Immediately strengthen protection of Chinook and forage fish habitat through legislation that amends existing statutes, agency rulemaking and/or agency policy.
- 37. Protect against regulatory rollbacks at the federal and state level.
- 48. Adopt and implement policies, incentives and regulations for future growth and development to prevent any further degradation of critical habitat and sensitive ecosystems; enable and channel population growth in ways that result in net ecological gain; evaluate and report outcomes for all jurisdictions at the state, county, tribal and municipal level.

Protecting State Waters 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**Protecting State Waters
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

This proposal is not targeted at any specific communities. Flooding affects all downstream communities regardless of whether the communities are overburdened or not.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

Losses of wetlands and streams mean loss of cultural locations and Tribal food harvesting. Loss of wetlands can affect homes in low lying areas susceptible to flooding. Impacts to wetlands that remove their flood storage capacity and pollutant removal service affects the habitat in downstream areas. Impacts to streams leads to more stress on salmon and increased losses in harvest quality.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

Due to the recent Supreme Court decision, the Shorelands and Environmental Assistance Program has not had the opportunity to do extensive tribal outreach. We will reach out to Tribes to offer Tribal consultation and coordinate with Tribes and Tribal staff to ensure that their Tribal rights, resources, and environmental health are protected.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No, we will do an Environmental Justice assessment (EJA) as part of the rule making process that would be directed under the agency's request legislation bill. We are also currently working on an EJA that will accompany the agency's request legislation.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

2023-25 IT ADDENDUM

Only use this addendum if your decision package includes IT costs

Part 1: Itemized IT costs

Complete the [2023-25 IT Fiscal Estimate Workbook](#) imbedded below. This workbook will identify the IT portion of the decision package.

In the workbook, agencies must itemize all IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff as required in ESSB 5693 Sec. 150(4)(a)(i-ix).

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ITaddendum2023-25.

xlsx

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Part 2: Questions about facial recognition and supporting the reuse of existing state resources

- A. Will this investment renew or procure a facial recognition service? ☐ Yes ☒ No
- B. Does this investment provide for acquisition of, or enhancement to, an administrative or financial system as required by [technology policy 122 - administrative and financial system investment approval](#)? ☐ Yes ☒ No
- C. If **Yes** to question B, has this decision package obtained OCIO and OFM Administrative and Financial System review approval? ☐ Yes ☐ No
- o If **Yes**, attach the approval letter.
 - o If **No**, the decision package should not be submitted. Recommendation will be "Do Not Fund."
- D. For DCYF, DOH, DSHS, HCA and the Washington Health Benefit Exchange only: Has this project been screened for inclusion in the HHS Coalition portfolio? ☐ Yes ☐ No
- E. Does this decision package support the adoption of modern, cloud-based technologies? ☐ Yes ☒ No

Part 3: Maintenance level decision packages

The questions in Part 3 are for **Maintenance level** decision packages and need to be answered. (If this is a policy-level decision package, skip Part 3 questions and respond to all questions in Part 4 and Part 5.)

- A. Is this renewal for an existing software or subscription? ☐ Yes ☒ No
- B. Does this continue a current maintenance contract? ☐ Yes ☒ No

C. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☒ No

If **Yes**, where is the hardware solution hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

D. Is this a routine, planned replacement of aging hardware or equipment? ☐ Yes ☒ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

E. Has the agency performed research to determine if a modern cloud solution is available for this maintenance investment? ☐ Yes ☒ No

Part 4: Policy level decision packages

The questions in Part 4 are general questions for **policy-level** decision packages.

A. Type of Investment - Identify the decision package investment classification from the following list:

- ☐ Addresses technical debt.
- ☐ Cloud advancement.
- ☐ Continues existing project.
- ☐ Critical hardware upgrade.
- ☒ Improves existing service.
- ☐ Introduces new capabilities.
- ☐ System modernization.

B. Does this decision package fund the acquisition, development, enhancement, or replacement of a new or existing software solution? ☒ Yes ☐ No

If **Yes**, where will the software solution be hosted? ☒ State Data Center
☐ External Cloud
☐ Other location.

C. Do you expect this solution to exchange information with the state financial system (AFRS) or the OneWA solution (WorkDay)? ☐ Yes ☒ No

D. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☒ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center

☐ External Cloud

☐ Other location.

E. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [Technology policy 121.](#)) ☐ Yes ☒ No

If Yes, name the project:

(Project name published on the [IT Dashboard](#))

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Part 5: IT investment prioritization and scoring questions

All policy level decision packages must provide a response to the following questions. Responses will be evaluated and ranked by the OCIO as required by [RCW 43.88.092](#). The criteria scoring scale being used by the OCIO to evaluate and rank decision packages is available on the OCIO [Decision Package Prioritization](#) website. See [23-25 Decision Package Prioritization Criteria](#).

Agency Readiness

Due diligence. Summarize the research, feasibility or due diligence work completed to support this decision package. Attach a copy of the feasibility study or other documentation of due diligence to the decision package.

This request involves agency request legislations that would direct the development of a dredge and fill permit program in the future. With a new permit type, we will need to update our existing Aquatics database. We also anticipate the desire to develop a web-based application portal. Because of this, SEA anticipates that an IT Application Developer Journey position will be necessary, beginning in fiscal year 2026, to make updates to the existing Aquatics Database, provide maintenance for the database, and develop and maintain a web-based application portal.

Governance and management. What governance processes will support this project? Examples of governance processes include appropriately placed executive sponsor, representative steering committee, resourced vendor/contract management, change control, and incorporating stakeholder feedback into decision making processes. Provide examples of how your proposed budget includes adequate funding and planning for governance processes, if applicable.

This position will be managed by a manager in Ecology's Information and Technology Services Office (ITSO).

Planning and readiness. Describe how your agency will resource the implementation of this investment request. Will in-house resources be used, or will resources be acquired? How has organizational change management been factored into planning and approach? Does the investment require a project management approach to be used? Describe whether project and organizational change management resources are included in this request or will be provided by in-kind resources. Describe whether the proposed budget includes costs associated with independent quality assurance.

We would conduct hiring a new staff member.

Technical alignment

Strategic and technical alignment. Using specific examples, describe how this investment aligns with strategic and technical elements of the [Enterprise Technology Strategic Plan](#). Examples of strategic principles that tie back to tenets of the strategic plan include, but are not limited to, advance digital government, support use of common and shared technologies across agencies, improve the Washington customer experience across digital channels, strengthen privacy capacity in state and local government. Examples of technical principles that tie back to tenets of the strategic plan include but are not limited to; adoption of modern cloud-hosted technologies, provide proactive cybersecurity capabilities, reduce technical debt, expand integration between systems.

Advance digital government and Improve customer experience across channels. This request would update an existing permit tracking system to incorporate a new permit system. This allows Ecology to track permit actions, wetland and stream impacts and compensatory mitigation. This information will help develop and refine wetland management and protection. The request also anticipates that it will develop a web-based application portal. The portal could provide an accessible way for a person to submit an application and associated documentation. This would enhance timeliness and customer experience.

Reuse and interoperability. Does the proposed solution support interoperability and/or interfaces of existing systems within the state? Does this proposal reuse an existing solution or existing components of a solution already in use elsewhere in the state? If the solution is a new proposal, will it allow for such principles in the future? Provide specific examples.

This request will provide a new FTE, beginning in fiscal year 2026, to update and maintain the existing Ecology Aquatics database.

Business alignment

Business driven technology. What are the business problems to be addressed by the proposed investment? These business problems should provide the basis for the outcome discussion below. Describe how end users (internal and external) will be involved in governance and implementation activities.

SEA did not design the Aquatics data to include a new permitting program. The database will need to be updated to address the elements of the new dredge and fill permit program. A new dredge and fill permit program is needed to respond to a Supreme Court decision in Sackett and the subsequent amended federal rule. Under state law, Ecology is obligated to protect all state waters regardless of federal protections. However, Ecology does not have a program to authorize impacts to wetlands and other state waters which are now not waters of the US (WOTUS). Ecology proposes to develop a permit program to address the wetlands no longer protected under the federal Clean Water Act. As permits are issued we will want to track them similar to our work with Section 401 water quality certifications.

Aquatics would need to be updated to track various aspects of the new permits. Tracking information will allow for better analysis of the success of our wetland protection and management policies.

Measurable business outcome. Describe and quantify the specific performance outcomes you expect from this funding request. Provide specific examples of business outcomes in use within your agency, and how those outcomes will be improved because of this technology investment. Does the response align with the measurable business outcomes identified in the Strategic and Performance Outcomes in [Chapter 2](#) of the 2023-25 budget instructions? What outcomes and results, either positive or negative will occur? Identify all Lean initiatives and their expected outcomes. Include incremental performance metrics.

Through tracking permit data through an updated Aquatics database, Ecology would be able to analyze the number and types of permits being applied for and issued or withdrawn. Ecology would collect data on application date and decision date, wetland or water type, amounts of impacts to wetlands and streams, amounts of compensatory wetland mitigation proposed, type and amounts of compensatory wetland mitigation provided, site visits and success of mitigation. This information can be used to assess program success.

Decision package urgency

During the evaluation and ranking process, the OCIO will take into consideration, the urgency of the decision package request. Describe the urgency of implementing the technology investment in this cycle and the impacts to business if it does not proceed as planned.

The Sackett v. EPA decision and the subsequent amended federal rule defining waters of the US is in effect now. Ecology expects to see a significant increase in applications for state authorizations and will need increased resources to respond to that increase. Without an increase in staff project proponents are likely to experience delays costing time and money.

The existing approach to permitting activities is through administrative orders which is not a transparent or efficient process. A dredge and fill permit program would allow Ecology to identify activities and thresholds for activities that would qualify for a streamlined “general permit” or programmatic permit. It could also set in rule requirements for applications, thresholds for review, the review process, decision making criteria, and compensatory mitigation requirements. This would provide a more predictable and transparent process.



Agency Recommendation Summary

Since 2010, the U.S. Environmental Protection Agency has provided funding through the National Estuary Program (NEP) to support Puget Sound protection and recovery. These funds are currently provided through one of three initiatives designed to tackle multiple issues critical to Puget Sound recovery. Ecology serves as the state's lead for the Stormwater Strategic Initiative, which uses NEP funds to support critical research, monitoring, modeling, and innovative projects to address stormwater pollution and support recovery efforts. Since 2016, annual NEP awards supporting the initiative have continued to increase. Ecology is requesting the additional federal spending authority needed to leverage the increases in NEP funding available, and continue to support a diverse set of projects that help protect and restore Puget Sound. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (General Fund-Federal)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Operating Expenditures						
Fund 001 - 2	\$5,000	\$5,000	\$10,000	\$5,000	\$5,000	\$10,000
Total Expenditures	\$5,000	\$5,000	\$10,000	\$5,000	\$5,000	\$10,000
Revenue						
001 - 0366	\$5,000	\$5,000	\$10,000	\$5,000	\$5,000	\$10,000
Total Revenue	\$5,000	\$5,000	\$10,000	\$5,000	\$5,000	\$10,000

Decision Package Description

Background:

Puget Sound is a deep fjord estuary that lies within the broader Salish Sea that Washington State shares with British Columbia. It is the second largest estuary in the United States, fed by 19 river basins and 10,000 rivers. As a saltwater body, it is far from being uniform: each basin, carved by retreating glaciers more than 10,000 years ago, varies in its physical, chemical, and biological properties. Together, the basins contain an astounding diversity of life.

A healthy Puget Sound is essential to sustaining a vibrant economy, meeting our obligations to Tribal nations' treaties and sovereign rights, and supporting our need for connection to the natural world. Humans have long relied on the Puget Sound watershed for healthy food and clean water, recreation, economic support, among other benefits. Puget Sound supports a large part of our state's economy and provides vital recreational, spiritual, and other essential quality of life benefits.

Though it may appear pristine from a distance, Puget Sound is in serious trouble. Over the past 150 years population growth and development has damaged Puget Sound causing the degradation of water quality, water quantity, and habitats. Iconic and important species, including Southern Resident orca and Chinook salmon, are at risk. Contamination jeopardizes cherished cultural, ceremonial, traditional, subsistence, recreational, and commercial fishing opportunities.

Today, 5.3 million people live in the Puget Sound region. If we continue our current rate of economic growth, by 2050 we may increase our population to 7 million, the equivalent of adding approximately 2.25 cities the size of Seattle to our watershed. If this rapid population growth occurs without adequate planning and mitigation, it will bring more land conversion, development, and pollution. These challenges are further complicated by the effects of climate change, including warming ocean and air temperatures, changes in precipitation patterns and reduced snowpack, and ocean acidification.

Puget Sound recovery and protection efforts are falling short against these pressures caused by our growth and development. In 2021, the Puget Sound Partnership, with the support and engagement of many partners, produced the State of the Sound report (<https://stateofthesound.wa.gov/>), summarizing the status of the Puget Sound recovery effort. Although some success can be seen in certain areas, the report concluded that ecosystem conditions are not good enough to say the system is either resilient or recovered. Very few of our indicators met their 2020 targets, and the Southern Resident orca population hovers at 74 animals, while Chinook salmon populations show no signs of recovery. Marine water quality continues to decline, and habitat continues to be destroyed faster than we can restore it.

National Estuary Program

The National Estuary Program (NEP) (<https://www.epa.gov/nep/overview-national-estuary-program>), a non-regulatory program established by Congress and authorized by section 320 of the Clean Water Act in 1987, is an Environmental Protection Agency (EPA) place-based program to protect and restore the water quality and ecological integrity of estuaries of national significance. Currently, 28 estuaries located along the Atlantic, Gulf, and Pacific coasts and in Puerto Rico are designated as estuaries of national significance, including Puget Sound. In overseeing and managing the national program, EPA provides funding, national guidance, and technical assistance to the coordinators for each estuary included in the NEP. The program provides a foundation for close planning and strategic collaboration between federal, Tribal, private, and

nongovernmental stakeholders.

Since 2010, Congress has appropriated over \$350 million in Clean Water Act Section 320 funds for Puget Sound. Under Section 320, EPA has provided this funding and support through the NEP to help communities make on-the-ground improvements for clean and safe water, protected and restored habitat, thriving species, and a vibrant quality of life for all, while supporting local jobs.

Funding was originally provided through five state agencies, which served as Lead Organizations (LO's) for one of four emphasis areas. The selected LO's managed projects through contracts and sub-awards, giving priority to projects that implemented priority actions. EPA selected the LO's to coordinate six-year efforts to develop and implement strategies in the four areas of emphasis:

- Marine and nearshore protection and restoration (Fish & Wildlife and Natural Resources)
- Watershed protection and restoration (Ecology and Commerce)
- Toxics and nutrients reduction and prevention (Ecology)
- Pathogen prevention, reduction, and control (Health)

In 2012, the Puget Sound Partnership's Leadership Council established three initiatives to tackle multiple issues critical to Puget Sound recovery – Stormwater, Habitat, and Shellfish. To manage this effort, agency and institutional partners assembled into three Strategic Initiative (SI) Lead teams, charged with bringing people and ideas together to improve the water, habitat, and communities. Then, beginning in 2016, EPA shifted the federal NEP funding available from the original LO areas of emphasis to these three SI teams. State agency leads for each SI are:

- Shellfish Strategic Initiative (Health)
- Habitat Strategic Initiative (Fish & Wildlife and Natural Resources)
- Stormwater Strategic Initiative (Ecology)

For more information on the Puget Sound NEP, please visit: <https://pugetsoundestuary.wa.gov/>.

Stormwater Strategic Initiative Lead

Stormwater washes pollutants into aquatic ecosystems that have the potential to kill fish, degrade stream water quality and habitat, carry excess nutrients into marine environment, and create expensive pollution cleanup and management, and the costs of that are often passed onto residents. Stormwater also poses public health risks from swimming, otherwise recreating or eating from polluted water. Preventing stormwater pollution protects the assets we care about, including recreation, food, and sustainability, which earmarks our lives in the Puget Sound area.

Using NEP funds, the Stormwater Strategic Initiative (SI) supports diverse projects such as research, green infrastructure, decision support tools, and collaborative approach pilots. The initiative also uses its water quality Implementation Strategies - the Benthic Index of Biotic Integrity, Toxics in Fish and Marine Water Quality - to identify opportunities, strategic intervention points and communities of practice for implementation. The scope of the Stormwater SI's work extends beyond the simple definition of stormwater issues and includes important closely related issues such as non-point source runoff, land use, wastewater, and toxics reduction.

For a current list of Puget Sound NEP projects that have been funded since 2016 across all three SI teams, please visit: <https://pugetsoundestuary.wa.gov/funded-projects/>.

Opportunity:

Since 2016, the amount of federal funding appropriated by Congress and passed through EPA's annual NEP awards to support the work of the Stormwater SI and Puget Sound recovery has continued to increase. NEP funding is authorized through EPA via overarching five-year grants that include a funding cap, which annual awards may add up to over the course each cycle, and lead agencies normally have a total of seven years to spend the funding awarded. From 2016 through 2020, annual awards for the Stormwater SI averaged \$4.53 million per year, while the 2021 and 2022 awards increased to \$4.95 million and \$5.75 million respectively. For 2023, the annual award rose to \$12.3 million, more than doubling the 2022 amount. EPA has shared with Ecology that they anticipate future funding to continue at these elevated levels, with the possibility of additional increases in the future.

While these increases in federal NEP funding represent critically needed resources to continue protecting and restoring Puget Sound, Ecology needs additional federal expenditure authority to leverage the additional funding. This budget request supports the estimated additional federal spending authority needed on an ongoing basis to use the increased federal funding, and continue to support a diverse set of projects that help protect and restore Puget Sound.

The Stormwater SI is currently supported by around eight Ecology staff, who are funded through the annual NEP awards for planning and coordination work with the Puget Sound Partnership, and grant/award administration. All remaining funds are passed through as grants or other awards to eligible sub-recipients for projects that support Puget Sound recovery through implementation of the Action Agenda. Ecology does not plan to add additional staff with the newest NEP award. The increased spending authority requested through this Decision Package will be used to support additional pass-through funding for projects that help protect and restore Puget Sound.

Please note: NEP funds require a dollar-for-dollar state match, but Ecology does not need any additional state funding to match the increased federal awards. As we have since 2016, Ecology can match the increased federal funding for the Stormwater SI with funding provided for water

quality infrastructure projects through the Clean Water State Revolving Fund (CWSRF) Program.

Impacts on Population Served:

NEP funding represents critically important resources that are flexible and improve the way our state can invest other funds to support Puget Sound recovery. This request benefits Puget Sound communities by supporting regional engagement and problem solving through strategic planning. Since its inception, the NEP has funded innovative work and fills gaps between existing state programs and other funding sources. Funding helps address the state's treaty obligations to Tribal governments. Also, as some communities must pass on the cost to address stormwater threats to residents, additional grants may help communities defer some of those costs.

Alternatives Explored:

The only alternative to requesting additional federal spending authority is to request it through the state's Unanticipated Receipt process. However, that is not the preferred approach, because information is available to support a formal budget request for the spending authority from the Legislature. This approach is the most appropriate, as it allows the Ecology to keep pace with the increases in federal funding over time, while recognizing the Legislature's role in authorizing the associated spending.

Consequences of Not Funding This Request:

If this request was not funded, Ecology would not have the spending authority needed to pass through millions of additional federal dollars as grants and awards for stormwater projects. We would lose critical strategic planning capacity that provides regional coordination and support for Puget Sound recovery efforts. Also, this would keep funding from critical stormwater projects and slow down our progress in protecting and restoring Puget Sound.

The state would be less prepared to address the state's treaty obligations to Tribal governments and meet Puget Sound Partnership-established recovery targets. Furthermore, since EPA does not have the capacity to manage these funds directly, not having a state agency partner to administer these funds would hamper EPA's ability to ask for future Puget Sound federal funding. Additionally, if the current funding is not spent in a timely manner, Congress may decide to reappropriate unobligated funds to other programs.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands Activity A043 Provide Water Quality Financial Assistance by providing additional federal spending authority to support increased pass-through funding to improve water quality and help restore Puget Sound. Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is also in the agency's Administration Activity A002, but is not shown in the totals below.

A043 Provide Water Quality Financial Assistance		
	2021-23	2023-25
FTEs Total	54.8	70.8
001-1 General Fund – State	\$596,000	\$0
001-2 General Fund – Federal	\$25,505,000	\$26,293,000
23P-1 Model Toxics Control Operating	\$9,220,000	\$6,035,000
23R-1 MTCA Stormwater	\$8,491,000	\$16,965,000
564-1 Water Pollution Ctrl. Rev. Admin	\$4,981,000	\$7,763,000
TOTAL	\$48,793,000	\$57,056,000

Detailed Assumptions and Calculations:

Beginning in fiscal year 2024 and ongoing, Ecology requires \$5 million in additional federal expenditure authority per year to support increased federal funding awards from EPA through the Puget Sound NEP. Annual funding awards for the Ecology-managed Stormwater SI have increased in recent years, and more than doubled between 2022 and 2023. EPA has shared that they anticipate future funding to be at these elevated levels, with the possibility of additional increases in the future. This request is needed to ensure Ecology can leverage these increases in federal funding and continue to support a diverse set of projects that help protect and restore Puget Sound.

The level of federal spending authority being requested was determined based on an analysis of current federal appropriation authority within Ecology's Water Quality Program, compared to both current and future funding commitments anticipated through the NEP. This request does not include federal spending authority needs for Ecology related to funding opportunities coming through the Bipartisan Infrastructure Law (BIL) or Inflation Reduction Act (IRA). Those authority needs are requested in a separate Decision Package for the 2024 supplemental.

Ecology has sufficient staffing and FTE authority to manage the increase in Stormwater SI federal funding, so the spending authority requested through this Decision Package will be used to support additional pass-through funding for projects that would help protect and restore Puget Sound.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
N	Grants, Benefits, and Client Services	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
	Total Objects	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Staffing							
Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	Total FTEs	0.00	0.00	0.00	0.00	0.00	0.00

All costs are shown in Object N.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving the Governor's Results Washington Goal 3: Sustainable Energy and a Clean Environment and Ecology's Goal 3: Prevent and reduce toxic threats and pollution and Goal 4: Protect and manage our state's waters because it will continue to fund the Puget Sound Stormwater SI grant program. This program leverages capacity and expertise at the local level to find innovative ways to manage threats from stormwater pollution and improve water quality, which has direct impacts on community health, environmental health, and abundance of natural resources and wildlife including salmon and Southern Resident orca.

This request also directly implements the following recommended priorities and action areas in the 2021 Governor's salmon strategy update.

Strategic Priority:

1. Protect and restore vital salmon habitat
2. Invest in clean water infrastructure for salmon and people

Action Areas:

- 1b. Riparian management
- 2a. Toxics reduction

Performance Outcomes:

The outcome of this request will be funding of additional Stormwater SI recovery grants to Puget Sound recovery partners, including Tribes, local agencies, universities, and others. This funding reduces stormwater threats and creates efficiencies between Ecology programs and external Puget Sound recovery partners through strategic planning and coordination. We gain additional efficiencies by relying on Ecology's vast programmatic knowledge and funding programs that use existing policies and tools to manage projects.

Equity Impacts

Community outreach and engagement:

By funding strategic planning work, this program provides opportunities to meaningfully engage impacted and overburdened communities in the development of the program. Further, proposals that show how community outreach and engagement with Tribes and vulnerable communities shaped their development, receive points in grant scoring related to meaningful engagement criteria. This directly improves their funding application competitiveness. Also, we are developing processes to engage impacted communities and include them in the decision-making processes more thoroughly. We have committed to engaging community groups in defining these processes, and do not want to presume approaches before that engagement. But we are deeply committed to using engagement feedback to shape our work and have integrated this into our process.

Disproportional Impact Considerations:

As far as we can reasonably foresee, this funding program does not make decisions that are anticipated to result in negative health impacts and environmental burdens or harm.

Target Populations or Communities:

This program is involved directly in strategic planning that centers equity—and specifically environmental justice (EJ)—and funds work with an emphasis on bridging human health and ecosystem resiliency. This program works closely with Tribes, vulnerable, and environmentally impacted communities to bring input into our planning processes. For example, previous planning processes have included working with refugee communities to provide input into planning. This program has previously funded work that addresses toxic contamination in fish which disproportionately impacts communities of color and Tribes.

This funding request is focused on Puget Sound. Ecology anticipates and is planning for strategic benefits to underserved, overburdened, and disproportionately impacted communities. The program considers overburdened communities and vulnerable populations early in our strategic planning. This strategic planning informs how we fund projects and includes EJ scoring criteria and consistent prioritization of underserved and vulnerable communities in our funding priorities and grant solicitations.

Other Collateral Connections

Puget Sound Recovery:

This request supports Puget Sound Action Agenda implementation through Ongoing Program: OGP_35 Water Quality-National Estuary Program (NEP) Stormwater SI and several Vital Signs, Strategies, Desired Outcomes, Actions, Orca Task Force Recommendations, and Biennial Science Workplans included in the 2022-26 Action Agenda. See *Attachment A* for a complete list of linkages between this request and the agenda.

State Workforce Impacts:

N/A

Intergovernmental:

These funds provide critical support for Tribal treaty rights, local programs including funding for local governments, state agencies, and others. These funds and our ability to pass them through are recognized as a critical support for cities, counties, Tribes, state agencies, universities, and others. We anticipate broad support for Ecology’s continued authority to administer these funds.

Stakeholder Response:

We regularly fund non-profits and community groups. These organizations will likely support Ecology’s authority to administer these funds.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

This work directly supports implementation of recommendations from the Governor’s Southern Resident Killer Whale Task force. The strategic planning that was completed by our Stormwater SI team was the source of those recommendations and the program grant funding continues to support the Task force recommendations.

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

- [NEP Stormwater Strategic Initiative-HEAL Attachment.pdf](#)
- [NEP Stormwater Strategic Initiative-PS Attachment A.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. N	\$5,000	\$5,000	\$10,000	\$5,000	\$5,000	\$10,000

Agency Contact Information

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Attachment A

Linkages to Puget Sound Action Agenda Implementation

This attachment provides additional supporting details for the following decision package (DP) as it relates to the Puget Sound 2022-2026 Action Agenda implementation.

DP Title: NEP Stormwater Strategic Initiative

Vital Signs

- Freshwater
- Marine Water
- Toxics in Aquatic Life

Strategies

- 1. Smart Growth
- 2. Protect Working Lands
- 4. Riparian Areas
- 6. Fish Passage Barriers
- 7. Freshwater Availability
- 8. Prevent Pollution
- 10. Stormwater Runoff and Legacy Contamination
- 11. Wastewater Systems
- 12. Working Lands Runoff
- 18. Awareness of Effects of Climate Change
- 20. Climate Adaptation and Resilience
- 22. Recreation and Stewardship
- 23. Transparent and Inclusive Governance
- A. Funding
- B. Strategic Leadership & Collaboration
- C. Research & Monitoring
- E. Stewardship & Motivating Action

Desired Outcomes

- 1.1.1. Ecologically important lands (including beaches, estuaries, forests and wetlands, streams and floodplains) protected from development.
- 1.2.1. Natural marine, estuarine, and freshwater shorelines (those not armored) protected to prevent future armoring and development.
- 1.3.3. Culverts, dams, and other infrastructure removed, retrofitted, or managed to ensure fish passage and functional downstream habitat.
- 1.4.1. In-stream and riparian areas of rivers and streams restored.
- 1.4.2. Floodplains, tidal wetlands, and estuaries restored.
- 1.5.2 Infiltration and water holding capacity of upland areas (developed

lands, agricultural lands and working forests, and natural lands) increased.

- 2.1. Reduce toxic chemicals entering Puget Sound and connected waters, including from contaminated sediments and industrial lands.
- 2.2. Reduce nutrients entering Puget Sound and connected waters.

Actions

- 1. Build Puget Sound-wide support to prevent conversion of forests, farms, and natural areas and increase funding for conservation incentives.
- 2. Reduce barriers to infill and redevelopment in high-growth areas.
- 3. Conduct watershed-scale planning and land use planning to protect and restore water quality.
- 4. Support the long-term viability and sustainability of agricultural lands and working forests to reduce pressure for conversion from the current use to a more developed use.
- 5. Facilitate the increased use or performance of best management practices to reduce pollutants and the volume of runoff from agricultural lands and working forests.
- 6. Implement agricultural management practices proven to reduce nutrient loads.
- 31. Encourage retrofits and restoration through education and incentives.
- 32. Increase local stormwater management capacity (including funding, staffing resources, and management tools and information).
- 33. Incentivize redevelopment in areas associated with high loads of toxic chemicals.
- 34. Increase and stabilize funding that supports actions, incentives, and local capacity to reduce nutrient loads.
- 35. Develop and implement education and outreach and behavior change campaigns and fund projects to reduce nutrient impacts from residential, stormwater, and agricultural runoff.
- 36. Adjust stormwater permitting requirements or other local government programs to address nutrients in stormwater from residential and commercial lands.
- 37. Develop a permit framework for advanced wastewater treatment to reduce nutrient discharge and other pollutants and provide technical and financial support for implementation.
- 38. Increase compliance monitoring, technical assistance, and enforcement to improve wastewater treatment plants' compliance with

discharge limits for disease-causing bacteria and viruses.

- 39. Implement priority upgrades of municipal and industrial wastewater facilities in urban and urbanizing areas to reduce disease-causing bacteria and viruses and their effect on Puget Sound.
- 40. Effectively manage and control fecal pollution and disease-causing bacteria and viruses from small onsite sewage systems (OSS) and larger onsite sewage systems (LOSS).
- 41. Find and fix toxic hotspots (information, planning, education, funding, and implementation).
- 42. Promote the development and use of safer alternatives to toxic chemicals.
- 43. Prioritize, prevent, and manage (regulations, permits, and incentives) chemicals of emerging concern.
- 44. Increase product testing for compliance with consumer and environmental safety rules.
- 45. Develop and implement programs that incentivize, remove, or replace toxic laden products with safer alternatives, and ensure proper disposal of toxic products.
- 78. Engage with community groups, educational institutions, and communication specialists to develop and share relevant, trans-created, and accessible information on civic engagement and decision-making opportunities.
- 86. Increase number, accessibility, and protections for multi-use and multi-cultural natural spaces (for example, fish and shellfish harvesting, camping, boating, and gardening, etc.), including green spaces and waterways.
- 114. Adequately resource community-led efforts to promote education and awareness about environmental health risks associated with air pollution, drinking water contamination, surface water pollution, and toxics in fish and shellfish.
- 121. Direct and leverage funding and investments to advance science, monitoring, and adaptive management for Puget Sound recovery.
- 122. Coordinate efforts to assess and report on ecosystem conditions and the effectiveness of ecosystem recovery strategies and actions.
- 123. Strengthen the leadership framework to guide the Puget Sound recovery effort and set action and funding priorities.

Ongoing Program

- OGP_ECY35Water Quality - National Estuary Program (NEP) Stormwater SI

Orca Task Force Recommendations

- 1. Significantly increase investment in restoration and acquisition of habitat in areas where Chinook stocks most benefit Southern Resident orcas.
- 29. Accelerate the implementation of the ban on polychlorinated biphenyls in state-purchased products and make information available online for other purchasers.
- 30. Identify, prioritize and take action on chemicals that impact orcas and their prey.
- 31. Reduce stormwater threats and accelerate clean-up of toxics harmful to orcas.
- 32. Improve effectiveness, implementation and enforcement of National Pollutant Discharge Elimination System permits to address direct threats to Southern Resident orcas and their prey.
- 33. Increase monitoring of toxic substances in marine waters; create and deploy adaptive management strategies to reduce threats to orcas and their prey.
- 36. Monitor progress of implementation and identify needed enhancements.
- 38. Explore setting minimum standards for local stormwater funding to ensure that all programs have the resources necessary to protect water quality.
- 39. Develop a National Pollutant Discharge Elimination System permit frameworks for advanced wastewater treatment in Puget Sound to reduce nutrients in wastewater discharges to Puget Sound by 2022.
- 40. Better align existing nonpoint programs with nutrient reduction activities and explore new ways to achieve the necessary nonpoint source nutrient reductions.
- 41. Collect high-quality nutrient data in watersheds to fill key knowledge gaps of baseline conditions.
- 47. Identify and mitigate increased threats to Southern Residents from contaminants due to climate change and ocean acidification. Prioritize actions that proactively reduce exposure where the increased impacts are expected to be most severe.
- 48. Adopt and implement policies, incentives and regulations for future growth and development to prevent any further degradation of critical habitat and sensitive ecosystems; enable and channel population growth in ways that result in net ecological gain; evaluate and report outcomes for all jurisdictions at the state, county, tribal and municipal level.

Biennial Science Workplan

- 6. PRIMARY: Assess the effectiveness of incentive approaches in Puget Sound recovery efforts.
- 7. PRIMARY: Characterize human health and environmental risks from chemicals of emerging concern.
- 8. PRIMARY: Assess toxic contaminant sources, (both historic and ongoing) and prioritize their clean-up or replacement based on environmental and human health impacts.
- 11. PRIMARY: Build upon recommendations of the Salish Sea Marine Survival Project to further define bottom-up and top-down food web effects on juvenile salmonid mortality in Puget Sound.
- 12. PRIMARY: Refine risk assessment tools and scenario development and analyses to improve our understanding of highly uncertain, complex and inter-related challenges and solutions to provide information that can be used to identify actions.
- 13. PRIMARY: Develop a framework of recommended approaches for including risk analyses, including extreme events and uncertainty, into planning and decision making.
- 15. PRIMARY: Explore and advance the use of methods to integrate human dimensions with biophysical targets and goals by decision makers.

NEP Stormwater Strategic Initiative 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**NEP Stormwater Strategic Initiative
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

As described in the budget request, while the benefits of salmon recovery work extend to all in Washington, Tribes and other communities more reliant on salmon as a source of food and heritage should benefit more. As far as we can reasonably foresee, this funding program does not make decisions that are anticipated to result in negative health impacts and environmental burdens or harm.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

The projects funded by this grant program benefit salmon recovery through improved water quality.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

We did not conduct any consultation specific to this budget request but are in frequent communication and coordination with Tribes as a part of this program.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No. This is not a new grant program.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

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Agency Recommendation Summary

Surface waters and their connected riparian zones are critical in supporting water quality and the health and diversity of aquatic and terrestrial species throughout Washington. Understanding the location of the state's surface water is needed for assessing, monitoring, and protecting these ecosystems, while improving climate resiliency at statewide, watershed, and local scales. In 2022, Ecology was funded to conduct a pilot project to identify the technologies, methodologies, datasets, and resources needed to refine and maintain the accuracy of the National Hydrography Dataset for Washington. Building on the success of that work, Ecology is now requesting funding to complete mapped surface water updates across the state, and continue to improve the accuracy of the dataset on an ongoing basis, as new information and technologies become available. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update and is related to Puget Sound Action Agenda Implementation. (Natural Climate Solutions Account)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	3.5	1.75	3.5	3.5	3.5
Operating Expenditures						
Fund 26D - 1	\$0	\$3,307	\$3,307	\$3,277	\$3,277	\$6,554
Total Expenditures	\$0	\$3,307	\$3,307	\$3,277	\$3,277	\$6,554

Decision Package Description

Background:

Hydrography data includes the mapped locations of streams and other waterbodies. It is a fundamental dataset used to support the environmental quality and protection across the nation and is integral to mission critical activities undertaken and managed by government entities (federal, state, regional, county, local), Tribes, nonprofit organizations, and private companies. Hydrography data makes it possible for these groups to:

- Manage water, such as stream flow and stormwater.
- Monitor, manage, and report water quality.
- Assess water availability and water rights.
- Model and map flood risk.
- Manage fisheries, rangeland, timberlands, and agricultural lands.
- Assess coastal hazards.
- Restore and protect streamside (riparian) areas.
- Manage critical areas for the Growth Management Act.
- Perform scientific monitoring.
- Prepare for emergency spill response.
- Evaluate fish passage and culvert information.

The U.S. Geological Survey (USGS) National Hydrography Dataset (NHD) has been the federal standard dataset for hydrography, representing surface waters of the United States, such as rivers, streams, canals, lakes, ponds, and coastlines. In Washington, Office of the Chief Information Officer (OCIO) Policy 161.03 - Hydrography Data Standard (<https://ocio.wa.gov/policy/16103-hydrography-data-standard>) currently directs that the USGS NHD be the standard for all surface water (hydrography) geospatial datasets in Washington State, and that Ecology serve as the state steward. This means all state agencies are required to use the NHD for their hydrography data, as well as any associated data, such as fish distribution, culvert locations, and environmental monitoring stations.

The NHD in Washington has approximately 250,000 miles of mapped watercourses throughout the state and is a powerful, well-established framework used to analyze and associate critical information about our state's hydrography (Figure 1). Since the adoption of the NHD standard in 2011, Washington has focused its efforts on correcting the most prominent errors in the data and connecting the hydrography data to the highest priority water resources, water quality, human health, environmental monitoring, and fisheries datasets.

Ecology has one full-time FTE who serves as the Washington State Hydrography Data (WASHD) steward, and works with local governments, stakeholders, and other interested parties to update and correct errors within the dataset. Until very recently, when hydrography data was submitted to Ecology for inclusion into the WASHD, the steward verified the accuracy of the data, and once verified, uploaded it to USGS so it could be incorporated into the national NHD.

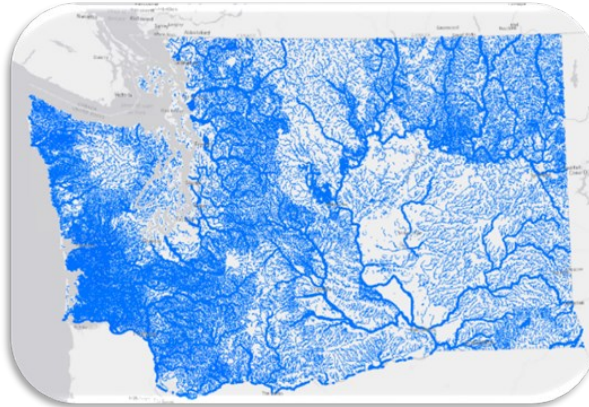


Figure 1 - Washington NHD (Ecology).

Recent Work Completed and Underway:

Originally, the NHD was mapped at a coarse nationwide scale, which only provided the ability to do large landscape-level analysis. This means the NHD is not mapped at a small enough scale to be used for environmental analysis at the local level. This impacts the ability of cities and counties to use the data because in many cases they need more precise hydrography for the streams and other waterbodies in their jurisdictions. Because the NHD is currently unable to meet these needs, many local governments have created, and are maintaining, their own hydrography datasets that are separate from the NHD.

While this approach may help meet local needs in certain areas of the state, not all jurisdictions have the ability or the financial resources to create and maintain their own datasets, which can create equity issues among communities. This approach has also resulted in data gaps within the NHD because changes in local hydrography data may not be incorporated into the state's dataset. These gaps can create challenges for state agencies and other resource managers that need to perform regional or statewide analyses, such as riparian and water quality assessments.

Changes at the Federal Level

Nationwide, the NHD has become inconsistent in its accuracy, and the USGS is responding by developing the new 3D Hydrography Program (3DHP), as the surface water mapping component of the new 3D National Topography Model (3DNTM). The 3DHP will significantly improve the level of detail, currency, and content of hydrography data by deriving updated stream networks and watersheds from high-quality 3D Elevation Program (3DEP) Lidar data. The implementation of elevation-derived hydrography (EDH) marks the beginning of a new era of water data, and the first systematic remapping of the nation's hydrography since the original USGS 1:24,000-scale topographic mapping program was active between 1947 and 1992.

This next generation of surface-water mapping under the new 3DHP will incorporate the most relevant and impactful components of the existing NHD with greatly improved spatial accuracy; thus, it will provide better support for hydrologic modeling and accounting. This approach will create a standardized specification for EDH that replaces the NHD, and will serve as a single best source of hydrography location information.

USGS is no longer accepting manual updates to the NHD during the transition to 3DHP, and only watershed updates that meet technical EDH specifications will be incorporated into the new 3DHP moving forward.

State/Tribal Riparian Protection & Restoration Workgroup Recommendations

Riparian zones (the areas along streams, rivers, and other waterbodies) play a significant role in supporting water quality, along with the health and diversity of aquatic and terrestrial species throughout Washington. In 2019, Governor Inslee directed his office to convene state agencies before the end of 2019 and work with the Tribes to establish a State/Tribal Riparian Protection & Restoration Workgroup to develop recommendations for leadership before the next Centennial Accord.

This state and Tribal partnership worked to identify both the challenges and opportunities around riparian protection and restoration, while developing recommendations on bold actions that could be advanced, and result in, fully functioning riparian ecosystems statewide. As part of that work, a monitoring and adaptive management framework was developed that identified information needs and data gaps. That framework recognized the need to improve the NHD as a top priority to address stream-mapping inaccuracies that currently prohibit a statewide riparian assessment and monitoring program.

An initial riparian condition assessment done in 2021 by the Northwest Indian Fisheries Commission found that, while the NHD is the best available statewide data system to use for the assessment, the accuracy of their assessment was entirely limited by knowing and understanding the locations of riparian buffers, which is dependent on the accuracy of the NHD. This means the location of riparian zones is only as accurate as the location of our mapped streams.

Stillaguamish Watershed Pilot

Based on those workgroup recommendations, Ecology requested and received funding in the 2022 supplemental budget (PL KP Improved Stream Mapping) to conduct a two-year pilot project in the Stillaguamish watershed to identify the technologies, methodologies, datasets, and

resources needed to refine and maintain the accuracy of the WASHD (Figure 2). Work during year 1 of the pilot (fiscal year 2023) included an evaluation of the quality and accuracy of elevation-derived datasets and local hydrography data available in the watershed. Using the Elevation Derived Hydrography Specifications published by USGS (<https://www.usgs.gov/ngp-standards-and-specifications/elevation-derived-hydrography-specifications>) project staff evaluated two elevation-derived datasets to determine which was more effective and accurate for the diverse landscapes across Washington.

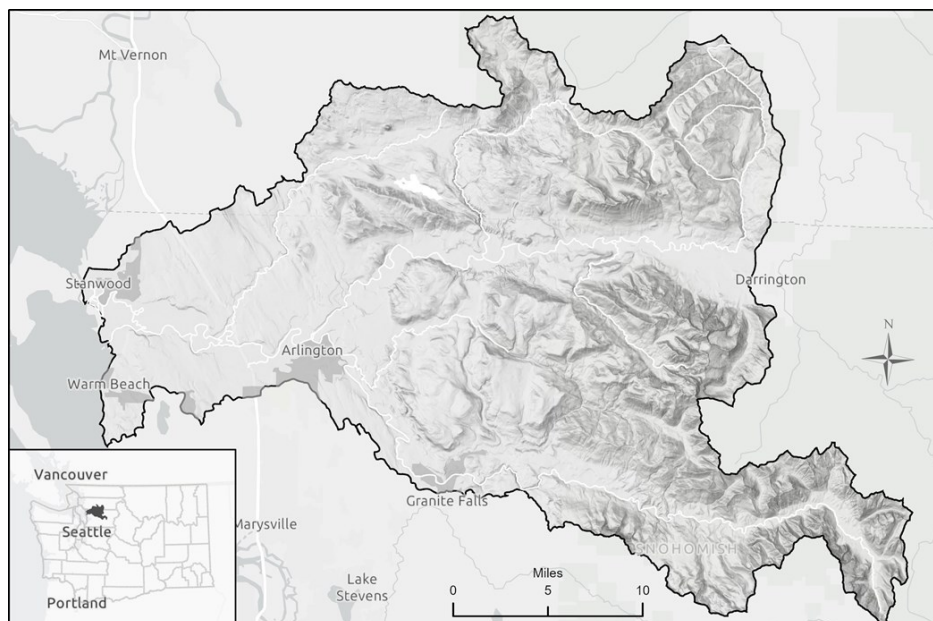


Figure 2 – Stillaguamish Watershed (Ecology).

The project has held quarterly statewide stakeholder meetings with broad organization participation (Figure 3) and monthly steering and technical committee meetings. The stakeholder meetings have provided an opportunity for the community to be informed about the transition to EDH and updates on the pilot project, contribute to criteria for prioritizing statewide mapped stream updates, and a forum to ask and answer general questions. Based on stakeholder engagement activities conducted over the first year of the pilot, their top priorities for the WASHD are accuracy, associating information, accessibility to data, and communication.

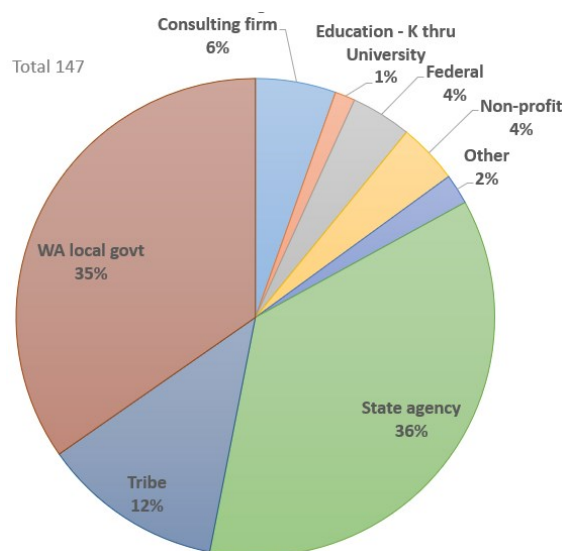


Figure 3 – Composition of Stakeholder Meetings.

The project steering committee is comprised of key state agencies (Department of Fish and Wildlife, Department of Transportation, Department of Natural Resources, Washington Technology Solutions, Ecology, Puget Sound Partnership, and Commerce), county and local governments, Northwest Indian Fisheries Commission, U.S. Forest Service (USFS), Bureau of Land Management (BLM), and USGS. The committee provides executive guidance, input, and sponsorship for the pilot project. The technical committee, with similar representation, provides a breadth of technical expertise to discuss and address pilot findings, focus on overarching technical challenges, and share knowledge and lessons learned from previous efforts. These engagements have been key to the success of this pilot project and the strong sponsorship to continue to make progress on improving our WASHD.

Because USGS announced its transition from NHD to 3DHP early into the project, the pilot refocused on evaluating if the 3DHP specifications

and methodologies will meet the needs for an accurate and complete WASHD. During fiscal year 2023, all ~75,000 lines, waterbodies, and watershed catchments of hydrography data within the Stillaguamish were checked for accuracy using the following approach:

- Data was compared with other hydrography-related datasets, aerial imagery, and underlying surface data, land cover, wetland data, and many other local datasets.
- Feedback about data quality was recorded in a spreadsheet, and errors were tracked.
- Segments requiring more investigation were flagged for field check and further evaluation.
- Regular meetings were held to discuss findings, make decisions, and refine the review process.
- Data was then shared with steering and technical committee members.

Some challenges were identified with the USGS specifications and 3DHP model:

- Snowfields were not mapped, causing streams to be located on the outside of snowfields.
- Wetlands adjacent to mapped streams are no longer part of the dataset and were not included.
- Stream initiation and stream permanence will need to be determined by the state, causing an increase in segments where there is channelization but not necessarily flowing water.

These challenges are being discussed among both committees along with stakeholders, and solutions to meet Washington's needs will be identified during year 2 of the pilot.

Overall, stream segment miles almost doubled in length with a high level of accuracy within the pilot area (Figure 4). Stream segment length increased from 3,683 miles in the NHD to 7,025 miles in the EDH dataset. Ninety-six percent of the stream segments were accurate and did not require field checks or further review.

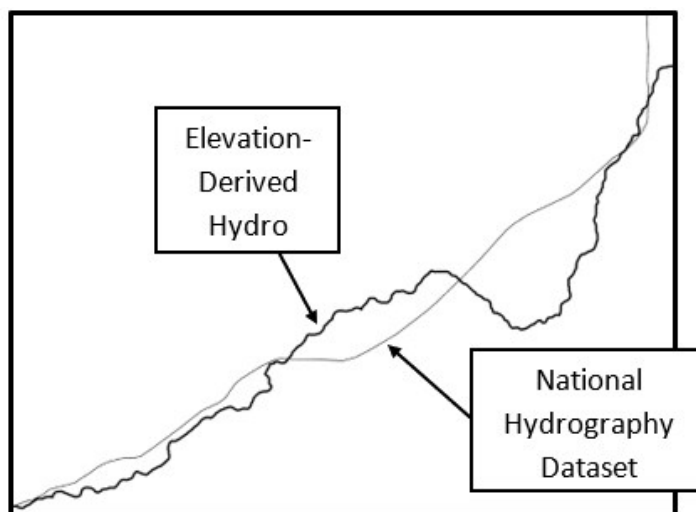


Figure 4 - Furman creek pilot data compared to traditional NHD.

An unanticipated benefit of the dataset is the large number of mapped culvert or stream passages over transportation (figure 5). These locations are an added benefit that could help contribute to Washington's fish passage and culvert datasets across the state.

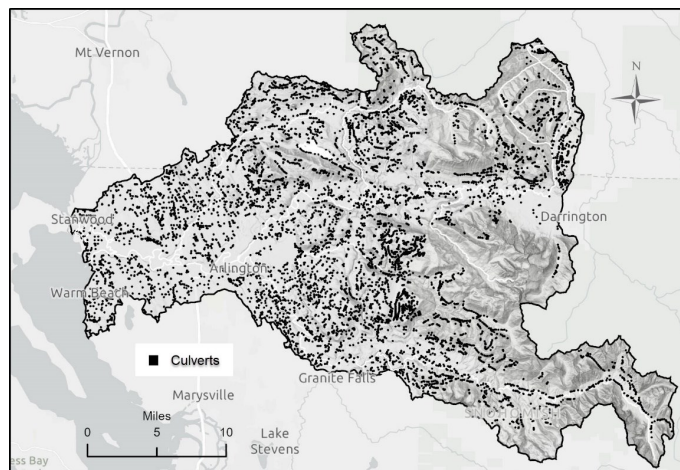


Figure 5 - Culvert locations identified from EDH.

The pilot's results show that this dataset and EDH methodology significantly improves the accuracy of where surface water flow is mapped, creating a more accurate hydrography dataset that can be used at a local scale. By investing in these new technologies, Ecology staff will be able to produce highly accurate EDH data sets for the state (Figure 6), integrate them into the USGS's new 3DHP, and engage with local jurisdiction

data more efficiently and equitably, which will accelerate the timeline for making the WASHD more accurate.

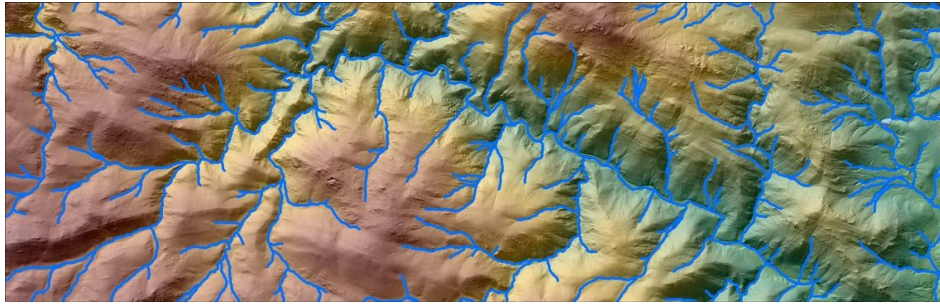


Figure 6 - Elevation-derived Hydrography (USGS)

Proposed Solution:

The final year of the pilot project in fiscal year 2024 will focus on incorporating the evaluation results from year 1 of the pilot into the WASHD strategic plan, which will lay out how the state will deploy the resources requested in this Decision Package to complete a statewide mapping update of Washington surface waters over the next five years. The plan will document how the data, resources, and tools being requested and developed will be leveraged to support not only the mapping efforts, but also how Ecology will engage with and support stakeholders in the transition to and adoption of the new dataset.

As part of the continuing two-year pilot, project staff, and the WASHD steward, have been engaging with stakeholders across the state to understand the business needs, priorities, and challenges of these groups as part of developing the WASHD strategic plan. Survey data collected through this process has overwhelmingly showed that stakeholders identify accuracy as the most important factor for a useful hydrography dataset.

The WASHD program has developed the following strategic framework to guide the ongoing work of re-mapping the state's surface waters:

- Vision: A single hydrography dataset for Washington State.
- Mission: Steward an accurate and authoritative state hydrography dataset by collaborating with our partners so that we can protect, preserve, and enhance WA waters.
- Goals:
 1. Maintain an accurate, consistent, complete statewide hydrography dataset.
 2. Provide accessible tools for connecting data to WASHD.
 3. Improve processes to edit, maintain, and publish WASHD.
 4. Increase collaboration and adoption of WASHD.
- Guiding Principles:
 - Hydrography data is usable.
 - Hydrography data location will always become more accurate.
 - Hydrography data is structured so that it is useful.
 - Hydrography datasets are accessible.
 - Work toward having a complete hydrography dataset.
 - Updating hydrography data across the state is equitable.

Based on the data and methodology evaluations completed in fiscal year 2023, the USGS transition to its 3DHP, and the recommendation of the pilot project steering committee, Ecology is requesting the funding needed to complete mapped surface water updates statewide over the next five years. This request will support the purchase of EDH datasets that meet USGS specifications that can be incorporated into the 3DHP, along with the additional staff needed to:

- Evaluate contractor EDH data for accuracy and completeness by making sure the GIS data meets specifications and appears to be in the correct location.
- Coordinate and collaborate with local jurisdictions and Tribal staff to provide them a chance to review the data, make suggestions, and get their approval.
- Collect local data to incorporate into data development and use in the QA/QC process. Local jurisdiction data that is more accurate and based on field visits or installation of infrastructure, such as underground pipes and culvert locations can improve modeled EDH results.
- Develop tools to connect and migrate data to 3DHP, integrate 3DHP with other water-related data such as fish presence, and to perform water-related assessments.
- Assist stakeholders with change management and adoption of the new dataset. Understanding differences between NHD and 3DHP will require both education and assistance. Impacts for local jurisdiction adoption vary from updating tools to rewriting local code for critical areas assessment.

Based on annual capacity estimates for the contractor, and prioritization discussions with committee members and stakeholders, Ecology is

proposing to complete this work over the next five years, beginning with the Puget Sound and Walla Walla watersheds in fiscal year 2025 (figure 7). Ecology is proposing to begin in Puget Sound because prioritization discussions identified salmon streams, data readiness, and populated areas as top factors to map first.

The results of updating the Walla Walla watershed during fiscal year 2025 will provide information on how we might need to adjust the methodologies used for other eastern Washington landscapes. Early studies from USGS regarding desert landscapes have shown some modifications to methods were needed to the EDH model. The Walla Walla watershed was chosen as the first area in eastern Washington due to existing water-related projects that already have strong collaboration between Tribes, and federal, state, and local governments.

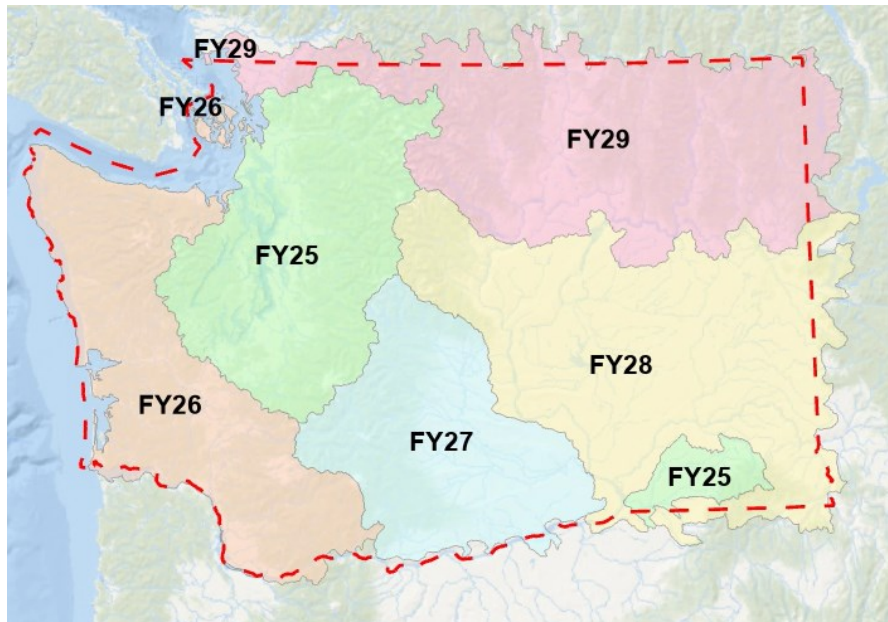


Figure 7 - Proposed update schedule by area of the state.

Moving forward, fiscal year 2026 will focus on completing western Washington, while model modifications are made for eastern Washington, and staff collect irrigation and pipe data that alter landscape-defined water flow. Updates to the rest of eastern Washington will occur in fiscal years 2027-2029, based on results and lessons learned from the Walla Walla mapping. Watersheds crossing Canadian boundaries will be updated last after data sharing agreements between USGS and Canada are developed.

The proposed approach to updating WASHD for the state is based on the prioritization feedback from committee members and stakeholders, available data, and technical considerations. This represents the current best thinking around deployment, however, the actual schedule after fiscal year 2025 may be adjusted due to contractor capacity, future funding that may be available from federal partners, data considerations, and new information that becomes available. All changes to the schedule will be communicated in recorded stakeholder and project committee meetings, and shared with the Governor's office, Office of Financial Management, and the Legislature.

Impacts on Population Served:

Hydrography data affects all Washington residents because the data is used to assess conditions about and related to the state's waters. For example, riparian management decisions need to be based on accurate stream data, so the resulting regulations are appropriately applied to those living along the stream.

Alternatives Explored:

The alternative considered to this request was to wait on making a budget request until the 2025-27 biennium. However, that alternative is not a viable option for meeting the critical needs identified by the State/Tribal Riparian Protection & Restoration Workgroup in 2020, and it would interrupt the progress and momentum gained through the pilot project. It would also continue to delay achieving a reasonable timeline for improving the accuracy of the WASHD. If we had to revert back to our current approach once the pilot project ends, there will continue to be an ever-growing backlog of data gaps and needed updates.

Furthermore, due to the USGS transition to its new 3DHP, manual updates are no longer accepted into the NHD, and WASHD would be a separate dataset that is not in alignment with federal standards. This would require additional staff and workload to develop and maintain a separate hydrography dataset and pose extreme challenges meeting reporting requirements to federal agencies such as the Environmental Protection Agency (EPA).

Consequences of Not Funding This Request:

If this request is not funded, decisions made by resource managers would continue to be based on inaccurate assessments of ecological conditions. Progress coming out of the pilot to update the WASHD would be slowed, and stakeholder engagement and momentum lost, as

Ecology would have to return to its historical approach for updating and maintaining WASHD, which would not be integrated with the new 3DHP.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands Ecology's Information Technology Solutions Office (ITSO) by adding staff and contracted resources to complete mapped surface water updates statewide and improve the accuracy of the WASHD. Ecology has approximately 97.5 FTEs in ITSO, including one full-time FTE who serves as the WASHD steward, but does not have the staffing capacity, nor funding to purchase required datasets, to update and ensure the accuracy of the WASHD. This request benefits multiple agency activities that rely on accurate mapping of surface waters to support environmental and public health work done by Ecology and our partners.

Detailed Assumptions and Calculations:

The WASHD steward will continue to be the technical team lead for this ongoing initiative, and be responsible for directing the work of the requested technical team, while continuing to work with stakeholders and steering and technical committees to resolve challenges identified with new datasets, provide updates and outreach materials on data processing and available tools, and support the change to the new 3DHP. The WASHD steward will also continue to work with federal agencies to apply for available federal funding to support this work, and the state resources requested in this Decision Package could be used as match, should future federal investments be awarded.

In addition to this in-kind staffing resource, beginning July 1, 2024, Ecology requires the following salaries, benefits, and associated staff costs to complete mapped surface water updates statewide and continue to improve the accuracy of the WASHD on an ongoing basis, as new information and technologies become available:

- 1.0 FTE IT Data Management – Journey (Lead IT staff) – This higher-level technical position is necessary to train and lead entry-level technical staff on QA/QC methods and development of tools. This position will also work closely with the WASHD steward and local jurisdictions to assist with adoption and transition efforts to the new EDH dataset.
- 2.0 FTEs IT Data Management – Entry (Support IT staff) – These technical positions will perform QA/QC on contractor-provided data deliverables, continue to develop integration tools, and assist stakeholders with adoption and transition efforts to the new EDH dataset.

Beginning July 1, 2024, Ecology will also require the following funding each year between fiscal years 2025 and 2029 for:

- Contracted data products and vendor (\$2.5 million per year, \$12.5 million total over five years) – Ecology will contract with a vendor to provide an iterative process for Ecology to review and proposed changes to preliminary datasets before delivering a final elevation-derived data product. Costs for this work were estimated based on attached quote from NV5 Geospatial (*Attachment A*).
- Contracted project management (\$250,000 per year, \$1.25 million total over five years) – Ecology will contract for project management services to manage and monitor tasks, competition of project objectives, and facilitate coordination with the dataset vendor Ecology, and stakeholders.

During fiscal year 2025, Ecology will require \$30,000 one-time to contract with a vendor for quality assurance services, should OCIO oversight of this work be required. Note, if OCIO oversight is not required, this one-time funding could be reduced for the request.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		285,072	285,072	285,072	285,072	285,072
B	Employee Benefits		102,626	102,626	102,626	102,626	102,626
	Personal Service						
C	Contract		2,780,000	2,750,000	2,750,000	2,750,000	2,750,000
E	Goods and Services		15,672	15,672	15,672	15,672	15,672
G	Travel		4,689	4,689	4,689	4,689	4,689
J	Capital Outlays		3,093	3,093	3,093	3,093	3,093
T	Intra-Agency Reimbursements		115,535	115,535	115,535	115,535	115,535
Total Objects			3,306,687	3,276,687	3,276,687	3,276,687	3,276,687

Staffing

Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
IT DATA MANAGEMENT-JOURNEY	112,540		1.00	1.00	1.00	1.00	1.00
IT DATA MANAGEMENT-ENTRY	86,266		2.00	2.00	2.00	2.00	2.00
FISCAL ANALYST 2			0.30	0.30	0.30	0.30	0.30
IT APP DEVELOPMENT-JOURNEY			0.15	0.15	0.15	0.15	0.15
Total FTEs			3.45	3.45	3.45	3.45	3.45

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Contracts include ongoing agreements with vendors for (1) EDH dataset acquisition and integration into the WASHD and USGS 3DHP (\$2.5 million per year, \$12.5 million over five years), and (2) project management services for fiscal years 2025-2029 (\$250,000 per year, \$1.25 million over five years). It also includes a one-time agreement in fiscal year 2025 for quality assurance services, should OCIO oversight be required.

Goods and Services are the agency average of \$5,224 per direct program FTE.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving the following Governor's Results Washington goals:

- Goal 3: Sustainable Energy and a Clean Environment because it will support riparian restoration and protection efforts, environmental monitoring and modeling, water quality assessment, and water cleanup plans.
- Goal 5: Efficient, Effective, and Accountable Government because it will support an accurate, consistent, and complete statewide hydrography dataset, reducing the duplication of efforts and costs.

This request is essential to achieving all of Ecology's goals because it will support WASHD the framework used to relate disparate information to waters of the state and make important connections between environmental and public health work across the state.

- Goal 1: Support and engage our communities, customers, and employees because this effort directly engages with federal, state, local jurisdictions, and the tribes to ensure their needs are met and local knowledge is incorporated into updated hydrography data.
- Goal 2: Reduce and prepare for climate impacts because improving WASHD to the local scale will result in more accurate analysis of climate impacts on the rivers, streams, wetlands, and other waterbodies.
- Goal 3: Prevent and reduce toxic threats and pollution and Goal 4: Protect and manage our state's waters because accurate data is essential to communicating, mapping, and analyzing the toxic threats and pollution that affect our state's waters including riparian and shoreline areas and Puget Sound.

This request also directly implements the following recommended priority and action area in the 2021 Governor's salmon strategy update.

- Strategic Priority:
 - 1. Protect and restore vital salmon habitat
- Action Areas:
 - 1b. Riparian management

Performance Outcomes:

The outcomes of this request will significantly improve the WASHD, so that it that meets the needs of stakeholders, resource managers, the public, and can be successfully integrated into the USGS 3DHP program. Specific performance outcomes include:

- Elevation-derived Hydrography dataset that most accurately represents Washington water.
- Updated hydrography is incorporated into USGS 3DHP.
- Adjustments to methodologies for EDH in eastern WA landscapes.
- Tools to migrate from NHD to 3DHP.
- Tools to associate related data to WASHD.
- Engagement with stakeholders to ensure hydrography updates and strategic plan meet stakeholder's needs.

Equity Impacts

Community outreach and engagement:

The WASHD steward conducts quarterly stakeholder meetings available to any who would like to join. This gives an opportunity for state, local, private, Tribal, and members of the public to be informed of work efforts toward a more accurate hydrography dataset and provide input and feedback on strategic direction. Stakeholders have reiterated the importance and priority of updating our hydrography dataset to make it more accurate. They have also expressed the need for this update to be completed as soon as possible.

Disproportional Impact Considerations:

The mapped updates for Eastern Washington will not be complete until later in the project timeline. An update in the Walla Walla watershed is planned for the first year to evaluate if methodologies need to be adjusted to accurately map the unique eastern Washington landscape.

Target Populations or Communities:

Current hydrography data is limited in scope across the state with notable data gaps for areas with less population density, fewer academic resources, geographically isolated areas, and jurisdictions with fewer government resources. Hydrography data is a fundamental dataset needed to identify where streams and waterbodies are located across Washington and to understand which communities may live near, have access to, or rely on local water bodies, or be vulnerable to water related hazards. Currently many local jurisdictions use their own hydrography dataset with varying degrees of accuracy. Ecology has been engaging with Tribes, county government, and local communities to understand how they use hydrography data to assess, monitor, and protect our environment.

This request will:

- Equitably fund hydrography data updates for the entire state to address gaps in service and data where jurisdictions lack resources to invest in these updates.
- Provide the opportunity to collaborate with Tribes and local jurisdictions to integrate their local knowledge and address long-standing hydrography data gaps.
- Assist local jurisdictions and Tribes with the transition to a new hydrography dataset and provide them tools to associate their data to the new dataset.

The intent is to strategically address gaps in statewide mapping to support analyses, decisions, and policies made with hydrography data. This data will be integrated into the USGS 3DHP and made publicly accessible. This will allow communities, Tribes, students, organizations, and local governments to access important information on the streams and bodies of water near them. Information on the benefits of this improved data and how to use and access this data will be delivered through workshops and reading materials.

Equitable access to data and representation in data are key components of environmental justice and equity efforts. Understanding which communities are potentially impacted by water body impairment can support efforts to understand community cumulative impacts and support local efforts to address environmental and human health concerns.

A statewide update of mapped streams and rivers will provide some underserved communities a new, no-cost opportunity to incorporate consistent and high-quality hydrography data into their decision making.

Other Collateral Connections

Puget Sound Recovery:

This request supports multiple Puget Sound recovery efforts that rely on accurate mapping and analysis of water resources, streams, watersheds, riparian buffers, and shorelines of Puget Sound. This information will inform natural resource management priorities and actions by providing a better understanding of current stream, and riparian habitat conditions and how they change over time. This improved data and information will accelerate the following actions:

- Shoreline protection and restoration
- Flood hazard management
- Riparian protection
- Fish passage barrier inventory
- Understanding contaminate pathways
- Effects of water quality and water quantity
- Oil spill risk analysis
- Climate change and resiliency modeling
- Accurate mapping of freshwater habitat

This request also supports Puget Sound Action Agenda implementation through a number of Vital Signs, Strategies, Desired Outcomes, Actions,

Program Targets, and Biennial Science Workplans included in the 2022-26 Action Agenda. See *Attachment C* for a complete list of linkages between this request and the agenda.

State Workforce Impacts:

N/A

Intergovernmental:

This request is being driven and supported by the improved stream mapping project committee members and stakeholder meeting participants. Committees include members from:

- Skagit River System Cooperative
- Department of Ecology
- Department of Commerce
- Department of Natural Resources
- Department of Fish and Wildlife
- Puget Sound Partnership
- Northwest Indian Fisheries Commission
- Oregon State government
- Snohomish County
- City of Arlington
- USGS

Any state or local agency that maintains associated data to the WASHD will be impacted, and many have expressed support for improving our mapped streams.

Stakeholder Response:

There is strong support from non-governmental stakeholders, such as environmental consultants and non-profit organizations for updating hydrography data. See *Attachment B* for letters of support from partner organizations and for this budget request.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

- [Modernize Surface Water Mapping-Attachment A.pdf](#)
- [Modernize Surface Water Mapping-Attachment B.pdf](#)
- [Modernize Surface Water Mapping-HEAL Attachment.pdf](#)
- [Modernize Surface Water Mapping-IT Addendum.docx](#)
- [Modernize Surface Water Mapping-PS Attachment C.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$285	\$285	\$285	\$285	\$570
Obj. B	\$0	\$103	\$103	\$103	\$103	\$206
Obj. C	\$0	\$2,780	\$2,780	\$2,750	\$2,750	\$5,500
Obj. E	\$0	\$16	\$16	\$16	\$16	\$32
Obj. G	\$0	\$5	\$5	\$5	\$5	\$10
Obj. J	\$0	\$3	\$3	\$3	\$3	\$6
Obj. T	\$0	\$115	\$115	\$115	\$115	\$230

Agency Contact Information

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July 25, 2023

Josh Greenberg

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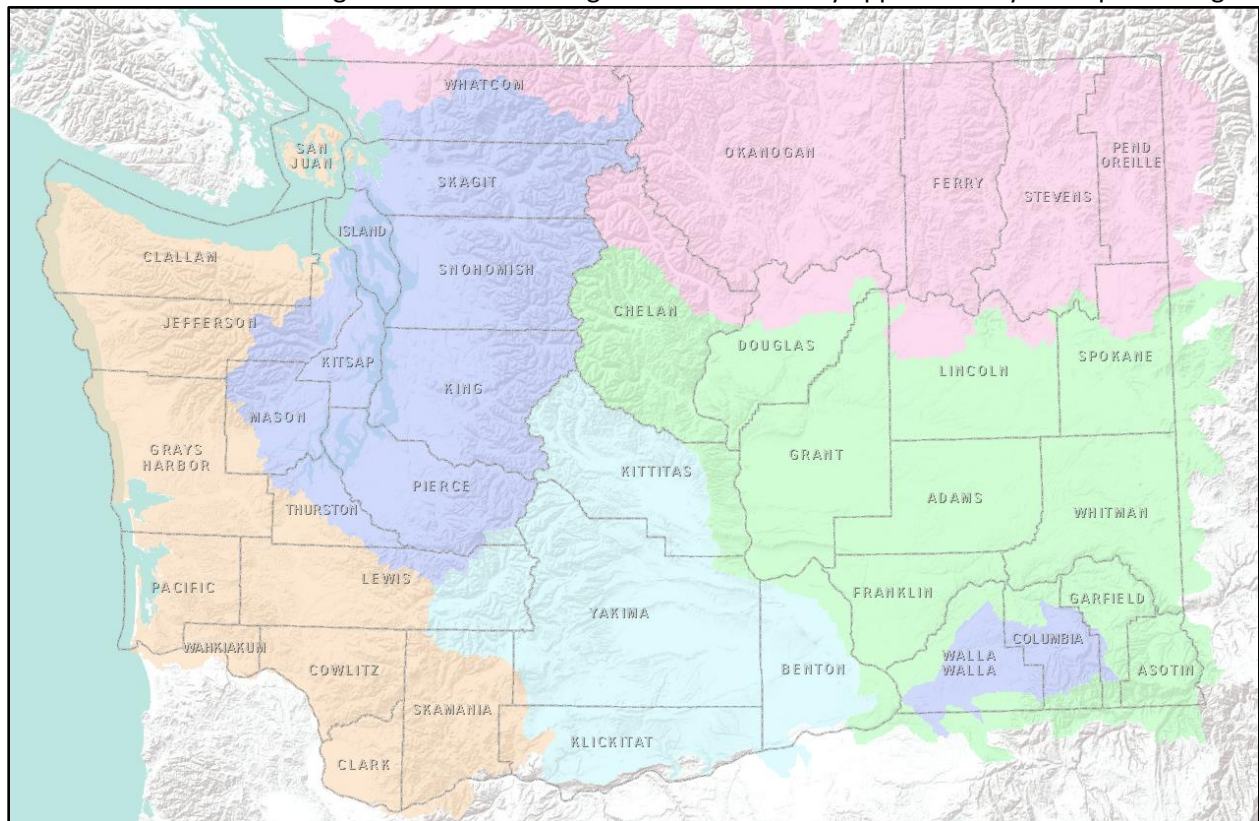
The CONTRACTOR presented Washington Department of Ecology (ECY) with a non-binding quote and statement of work for geospatial mapping services for the state of Washington. The following provides an overview of services, including product deliverables and timeline. All specifications and deliverables follow those outlined in the USGS Geospatial Products and Services Contract V4 (GPSC4) for the 3D Hydrography Program (3DHP) component of 3D National Topography Model (3DNTM). This scope of work will be useful for a USGS Data Collaboration Announcement (DCA) submission by the State of Washington.

Assumptions: ECY shall, to the best of their ability, provide the following supplemental data (if available) in a timely manner to aid in data processing:

- GIS layers including culverts, bridges, major subsurface storm water connections, and transportation networks.

Project Diagram

HUC08 Watersheds covering the state of Washington and colorized by approximate year of processing.



A rough order cost is provided here for the study area and scope outlined in this document. Changes in the size and/or shape of the area of interest, scope of deliverables, or 3DHP specification changes may result in modifications to the cost structure upon mutual written agreement of the parties.

Total Cost....\$12,500,000

SCOPE OF WORK (SOW):

This work order is for planning and processing of 3D elevation-derived hydrography from 3D Elevation Program (3DEP) 1 m standard lidar bare earth DEM products and special additional requirements as described.

The purpose of this work order is to delineate elevation-derived hydrography from 3DEP 1 m standard lidar bare earth DEM products designed to meet the ECY's current needs and support future integration (to the degree possible) into the new 3D National Topography Model (3DNTM) data schema for the state of Washington as shown in the Project Diagram above.

Delineate Elevation-Derived Hydrography

The CONTRACTOR shall create a hydro-enforced DEM based on the flow network of elevation-derived hydrography created above using previously acquired, State-furnished 1 m QL2 or QL1 lidar bare earth DEM products as a base.

The CONTRACTOR shall create the Hydro-Conditioned DEM using the Hydro-Enforced DEM created in above and shall be created such that all cells in the hydro-conditioned DEM shall drain to the outlet(s) of the AOI through the stream network of elevation-derived hydrography delineated in C.1.c.(i)(a), with the exception of valid isolated networks which shall adhere to the direction to drain to the outlet(s) of the AOI.

ECY's Hydrography Steward will review the final hydrologic network for acceptability and provide any comments, concerns, or feedback to The CONTRACTOR to address. ECY will work with the Hydrography Steward to approve all final products before invoicing.

Catchment Delineation

The CONTRACTOR shall create new or updated hydrologic unit delineations represented as HUC12, 10, and 8 from the new hydrographic network using the 3DEP 1 m standard lidar bare earth DEM product and elevation-derived hydrography.

The positional assessment of the catchments shall be measured against the bare earth DEM source. Additionally, the catchments shall follow the visual peaks and ridgelines and be within 1 meter of the highest natural divides on the bare-earth DEM. Exceptions to this positional assessment requirement may include areas where anthropogenic features (roads, berms, levees, dams etc.) are the hydrologic divide. In these instances, the catchments may follow the surface representation of the anthropogenic feature. CONTRACTOR will Use the "Federal Standards and Procedures for the National Watershed Boundary Dataset (WBD) v5" <https://pubs.usgs.gov/tm/11/a3/> for guidance including coding and naming specifications.

Elevation-derived hydrography created in the hydrologic network must be referenced when determining the best placement of hydrologic unit boundaries for the catchments. The hydrologic network also is used to evaluate and verify hydrologic unit connectivity and to determine downstream order of the hydrologic units.

Catchment boundaries shall be based solely on topographic and hydrologic criteria and shall be defined without regard to administrative or political boundaries, for example state, county, or national forest boundaries, unless the administrative boundary is coincident with a topographic feature that naturally defines the hydrologic unit.

It may be possible to develop finer reach scale catchments but these tools and USGS approach to catchments are still under development so are not included in this current project scope.

The CONTRACTOR shall coordinate all proposed new and updated HU delineations; code and name changes; and major changes to 4-, 8-, 10-, 12-digit HU boundaries in advance with the State steward. Any revisions deemed necessary by the State Steward(s) be sent back to the editors for correction and re-delivery.

The CONTRACTOR shall update the HUC 08, 10 and 12's based on 3DEP 1 m standard lidar bare earth digital elevation model (DEM).

Deliverables

The following deliverable products shall be produced from publicly available USGS 3DEP lidar. Spatial data will be provided in WA State Plane South (HARN).

- Dataset of delineated elevation-derived hydrography
- Ancillary raster datasets created to support delineation of elevation-derived hydrography
- Hydro-enforced and hydro-conditioned DEMs
- Newly delineated HUC12, HUC10, HUC08

Reporting

- Technical Data Report
- FGDC-compliant Metadata

ACCURACY REPORTING

With each data deliverable, the CONTRACTOR shall prepare a processing report assessing the accuracy of the data in terms of both position and content. The CONTRACTOR shall note all instances where deviations from the Representation Extraction Attribution and Delineation (READ) Rules or Specifications were required, including the rationale.

September 7, 2023

To Whom It May Concern:

The Puget Sound Partnership (Partnership) supports the Washington State Department of Ecology's decision package to update Washington's Statewide Hydrography dataset.

The dataset serves as the foundation for many monitoring and mapping programs. It provides key information for decisions and effective investments for various state agencies, including the Partnership, and the local partners that implement ecosystem and salmon recovery.

The decision package proposes collecting updated hydrography data at the scale and resolution needed to ensure effective implementation of state investments and policy. This data will inform decisions on a wide range of topics relevant to implementing the Puget Sound Action Agenda and salmon recovery plans, such as:

- Investments in improving riparian habitat, removing fish passage barriers, and reconnecting floodplains.
- Updates to city and county Comprehensive Plans, as well as other planning efforts related to land use, flood hazards, and climate adaptation led by local municipalities and Tribes.
- Reporting and tracking salmon habitat indicators at the watershed and regional scales.
- Environmental justice mapping and analysis to prioritize our work and fulfill the requirements of the HEAL Act.

We support the current schedule of updates with Puget Sound and a pilot in eastern Washington as the first priorities.

In summary, we fully support the Department of Ecology's decision package to update the Statewide Hydrography dataset. This is a key underpinning resource that will serve a wide range of partners working to recover the Puget Sound ecosystem. Addressing deficiencies and inaccuracies in the current hydrography dataset will remove barriers to progress on Puget Sound and salmon recovery, reporting, and accountability.

If you have any questions, please do not hesitate to contact Jenna Judge, Monitoring Lead, at (306) 870-1467 or jenna.judge@psp.wa.gov.

Sincerely,



Laura L. Blackmore
Executive Director
laura.blackmore@psp.wa.gov



King County

Water and Land Resources Division

Department of Natural Resources and Parks

King Street Center

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TTY Relay: 711

August 31, 2023

Sent Electronically Only

Department of Ecology

PO Box 47600

Olympia, WA 98504-7600

To whom it may concern:

King County's Water and Land Resources Division (WLRD) supports the Washington Department of Ecology's (Ecology) decision package to update the Statewide Hydrography dataset. We support Ecology's request for improved hydrography data given pressing needs regionally and within King County (County).

Many of the County's strategic goals depend on knowing where streams and wetlands exist. The County needs complete and accurate stream maps that can be produced by modern elevation-derived hydrography methods. Modernized maps will improve our ability to build watershed models, perform analyses, identify critical areas, delineate buffers, prioritize fish passage barriers for removal, and assess habitat and water quality/quantity. Hydrography data is the basis for many decisions related to aquatic ecosystems, yet the National Hydrography Dataset (NHD) does not meet our requirements.

Based on initial work in Ecology's pilot project, elevation-derived hydrography produces far more accurate stream lines than the current NHD in both coverage and location. Accurate stream coverage is important because missing streams may not be protected as critical areas during land use permitting. It's not uncommon to find NHD stream segments that are a couple hundred feet from their real-world locations. These poor locations make analyses impossible or require considerable labor to fix prior to performing an analysis. Any data tied to an improperly located stream could result in a stream not getting required protection. Similarly, limited funding and efforts might be wasted on a low priority stream.

Updates to the state hydrography dataset will enable regional partners to tackle the region's many watershed management issues with a comprehensive and accurate hydrography layer. Currently, the County and many other local entities maintain their own stream datasets due to inaccuracies in the NHD, creating a patchwork of stream datasets that hinder collaboration. Barriers to regional and inter-jurisdictional efforts will be removed because the new hydrography layer will be superior to any locally maintained watercourse layers. We concur with Ecology's decision to start in the Puget Sound which was validated during internal partner meetings.

August 31, 2023

Page 2

Resource managers in Washington State have long hoped for a comprehensive, accurate stream map. We believe Ecology's proposed project will meet this goal, and that it represents a significant leap forward in watershed management. We look forward to working from a common dataset, where conversing about streams and reaches with Ecology and other entities is simplified and sharing related data streamlined. Such collaborative models can align the work of local and state government to achieve greater impact for environmental outcomes.

If you have questions regarding the comments above, please feel free to contact Brett Randle, King County Senior GIS Specialist, at brett.randle@kingcounty.gov.

Sincerely,



Josh Baldi
Division Director



Quinault Indian Nation

POST OFFICE BOX 189 • TAHOLAH, WASHINGTON 98587 • TELEPHONE (360) 276-8211

August 31, 2023

Washington Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600

RE: WA Dept. of Ecology Modernized Stream Mapping Funding Request; Letter of Support

To Whom It May Concern,

On behalf of the Quinault Indian Nation (QIN), I am writing to express support for the Modernized Stream Mapping funding proposal from the Washington Department of Ecology.

The development of a high-resolution, uniform state-wide hydrography layer will provide a common framework around which ongoing habitat protection, improved fish passage, stream protection and riparian assessments can be organized and enhanced – both on-reservation and off. The QIN has broad concerns over the state of salmonid habitat throughout the Queets/Quinault and Chehalis basin watersheds (WRIA's 21-23). Many organizations working in resource conservation, from the Tribes, the State, and Non-Governmental Organizations, to private consultants, are gathering data on an ongoing basis. Having an accurate stream layer against which all of this data can be attached and assessed can only help to further conservation goals. Inaccuracies in the current standard, the National Hydro Dataset, creates potentially inaccurate assessments and analyses. A high resolution stream layer reveals the true extent and length of stream habitat that requires assessment, restoration and protection.

The proposed stream mapping is urgently needed. Please accept our support for this funding request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Guy Capoman", is written over a faint, larger signature.

Guy Capoman, President
Quinault Indian Nation



KITSAP COUNTY BOARD OF COMMISSIONERS

Efficient, accessible and effective county services

Washington Modernized Stream Mapping

August 21, 2023

Christine Rolfes
DISTRICT 1

Charlotte Garrido
DISTRICT 2

Katherine T. Walters
DISTRICT 3

Department of Ecology
Olympia, WA

RE: Washington Modernized Stream Mapping

To whom it may concern,

Kitsap County supports the Washington Department of Ecology's decision package to update the Statewide Hydrography dataset.

Kitsap County is part of the Puget lowlands and is characterized by rolling topography and lakes and wetlands formed by the last glaciation, presenting as low areas ranging from shallow swales to deep ravines that generally run north/south. Its streams consist of many small low-gradient drainages where rainwater collects and concentrates to form channels, with significant contributions by headwater wetlands and the groundwater table. While some larger streams are easily mapped by remote methods (i.e., modeling), many smaller, low-gradient streams fed by wetlands and groundwater are less accurately located by remote methods. In comparison to watersheds with large rivers fed by steep headwaters and mountain snowmelt, the accuracy of remote-sensed stream maps is much reduced in Kitsap County where streams are fed by wetlands, groundwater, and rainwater concentrated by microtopography.

Kitsap County is aware of inaccuracies of its stream maps and has invested in improvements, e.g., the County has supported Wild Fish Conservancy to improve stream and water type maps via field surveys. Stream maps are critical for County's processes from watershed recovery planning to development permit applications review. However, these maps are only available for a small part of the County and field surveys take time and significant resources to complete. The County has also supported updating the state LiDAR database used for stream modeling.

Accurate stream maps are essential for implementation and effectiveness of federal, state, and local regulations. As the jurisdiction responsible for implementing and enforcing the Kitsap County Critical Areas Ordinance, we rely heavily on mapping resources to assess potential impacts from development on critical areas. Where streams and other critical areas are not or inaccurately mapped, the rate of compliance with critical areas regulations is reduced unless that critical area is identified during a field visit.

Currently, our permitting staff consult a number of different mapping resources to best determine stream locations during a permit app review process. These resources include the national hydrography dataset (NHD), the Forest Practices water type map, and field survey maps from Wild Fish Conservancy. Staff also review aerial images of vegetation, topographic contours, and LiDAR maps to identify potential unmapped or inaccurately mapped drainages.

Sometimes, a field visit with the County, local tribes, and state agencies is needed to verify the presence, location, or type of a stream. To be thorough is time consuming and expensive.

Publicly available and accurate stream maps will help our constituents better incorporate streams and riparian management zones into development plans early in the process, saving time and expense from later needing to revise or abandon plans if an unmapped or inaccurately mapped stream is identified. The Critical Areas Ordinance protects streams and their buffers regardless of how they are mapped, but accurate maps help our constituents more readily comply with Critical Areas regulations and reduce the occurrence of unintended code violations. Accurate maps also help our Code Compliance team in enforcement of critical areas violations, as accurate maps are crucial in evaluating impacts that occur from unpermitted activities.

Kitsap County is changing planning paradigms by actively managing natural resources, including streams, as assets that provide incalculable resources to the community. A critical element of asset management is having a comprehensive asset inventory. In addition to managing natural resources as assets, Kitsap County also manages built assets such as roads, stormwater facilities, buildings, and parks. Accurate stream maps help the County better protect streams when maintaining built assets, e.g., during maintenance of roadside ditches it is important to know if the ditch is instead a stream that has been re-routed. Accurate stream maps help protect streams and riparian zones during strategic planning of County facilities, e.g., we may plan for less intense recreational uses in areas of parks that are near streams.

Updating the Statewide Hydrography dataset is overdue and timely completion of this important work will help us protect streams as we plan for increased population, housing availability, expansion of infrastructure and services to meet demand, and expected impacts of climate change. Due to the unique character of the Puget lowlands and the high degree of stream map inaccuracy relative to snow/glacier-derived systems, we encourage Ecology to pilot this update in the Puget Lowlands, and we volunteer the Kitsap Peninsula as an excellent candidate for a pilot watershed. We support extensive field validation of this model and request that Ecology consider how field verification can be incorporated into the maps in the future. Based on experience, even the best models cannot entirely replace the accuracy of field surveys.

Kitsap County is excited about this project and enthusiastically supports the Washington Department of Ecology's updates to improve stream mapping resources for Washington State.

Sincerely,


Charlotte Garrido
Chair


Katherine Walters


Christine Rolfes



Snohomish County

Executive

3000 Rockefeller Ave., M/S 602

Everett, WA 98201-4046

www.snoco.org

Dave Somers

County Executive

August 31, 2023

Washington State Department of Ecology
3000 Desmond Drive S.E.
Lacey, WA 98503

RE: Letter of Support for WA Modernized Stream Mapping Decision Package

To whom it may concern,

Snohomish County Dept of Information Technology has been asked to provide a letter of support for a decision package to the Washington Department of Ecology's decision package to update the Statewide Hydrography dataset. Our department is responsible for GIS infrastructure, data and support for all the departments in the County – many of which rely on this data for their various business purposes. Because of the reliance on strong and trusted datasets to serve our users, we are in support of this decision package.

Snohomish County leverages hydrography data for a variety of our projects. We have summarized a few of the critical ones in this letter to highlight the importance of updating this data.

- Hydrography data has been critical to assess flood risks and develop effective flood management strategies including infrastructure development, evacuation planning, and emergency response procedures, etc. (see <https://snohomishcountywa.gov/789/Flood-Hazard-Management-Planning>). This data allows us to accurately estimate economic loss by incorporating the FEMA Hazus-MH software in GIS into the flood risk assessment. Accurate hydrography means better assessment in flood risks and flood management. These output products are also used in our Hazard Mitigation Plan Updates.
- Snohomish County has been using accurate hydrography data to aid in designing and locating infrastructure projects such as bridges, culverts, and drainage systems. This information ensures that construction is aligned with natural waterways, minimizing the risk of flooding and erosion (see https://www.snohomishcountywa.gov/DocumentCenter/View/94162/2022_03_Attachment_FbD23-25Projects). Snohomish County's fish passage and riparian assessment projects fall within this category.
- Snohomish County uses hydrography data to monitor the health of our water bodies and ecosystems, to preserve water quality and protect aquatic habitats (see <https://snohomishcountywa.gov/4152/State-of-our-Waters>). Snohomish County has a rigid county code to protect ecosystem health, and accurate hydrography means better defining critical areas that our county can focus on. This allows us to better protect environmentally sensitive areas such as riparian corridors, habitat conservation, and improve water quality.

- Snohomish County extensively uses hydrography data to meet our NPDES Mapping Requirements in mapping outfalls and other associated features <https://snohomishcountywa.gov/1180/National-Pollutant-Discharge-Elimination>. Snohomish County uses various measures to link our storm drainage data to hydrography and performs GIS analyses to establish the MS4 mapping products.

In addition, Snohomish County relies heavily on hydrograph data to support Critical Area Regulation (CAR) Monitoring, emergency response planning, urban planning and zoning, erosion control, infrastructure maintenance, and more.

The existing National Hydrography Dataset (NHD) poses significant challenges across various applications due to issues like spatial misalignment of streams and gaps in stream coverage. Furthermore, hydrography changes over time due to factors like land use changes and natural processes mean more frequent updates are required, and we need to particularly incorporate the latest high-resolution LiDAR data to support these efforts.

WA Ecology's pilot streams update project over the Stillaguamish Basin has successfully demonstrated that the improved hydrography data meets various Snohomish County level projects. We believe that the updated hydrography dataset will support our work on flood risks, help us develop effective flood management strategies, better support the design and distribution of infrastructure projects, monitor the health of our water bodies and ecosystems, support our NPDES MS4 mapping, our CAR monitoring, and so on.

Snohomish County has been updating streams at the project scale and it has been challenging to update hydrography in a systematic way across the entire county. Also, there are connected subbasins with the neighboring counties, i.e., King County and Skagit County, and doing projects in a collaborative way with these neighboring counties has been challenging due to hydrography scale differences, data gaps across these counties, and spatial accuracy. For example, the density of stream buffers would not be consistent at jurisdictional boundaries and further analysis may result in inconsistent/inaccurate representations when it comes to a regional study.


We are a geographically pivotal location in Salish Sea protection. Conservation efforts that are a focus of Statewide programs will not only benefit our county but also Washington state's mission for maintaining a healthy environment.

In short, hydrography data is a foundational resource that empowers Snohomish County to make informed decisions about flood management, infrastructure development, water resource conservation, environmental protection, and emergency response, etc. Its accurate collection, analysis, and application contribute significantly to the overall well-being and resilience of communities.

Therefore, Snohomish County fully supports the current schedule of updates within the State based on the Group decision from priority ranking. To speed up the hydrography update process, it is desirable to focus on the areas where high-resolution Lidar data is available and where human impacted ecosystems are located, especially related to salmon habitats.

Should you have any questions, please don't hesitate to contact myself or Ed.Whitford@snoco.org

Sincerely,

A handwritten signature in black ink, appearing to read 'Ken Klein', written over a light blue horizontal line.

Ken Klein
Executive Director

CC: Viggo Forde, Snohomish County Director of IT and CIO



State of Washington
DEPARTMENT OF FISH AND WILDLIFE

Mailing Address: PO Box 43200, Olympia, WA 98504-3200 · 360 902-2200 · TDD 360 902-2207
Main Office Location: Natural Resources Building, 1111 Washington Street, Olympia, WA

September 1st, 2023

Subject: Letter of Support for Washington Department of Ecology's Modernized Stream Mapping

To whom it may concern,

Washington Department of Fish & Wildlife (WDFW) is providing this letter to express our support for Washington Department of Ecology's decision package to update the Statewide Hydrography dataset.

The Statewide Hydrography dataset is a cross-program asset that is widely used by WDFW staff for research, analysis, and publication-ready maps. For example, the Statewide Washington Integrated Fish Distribution (SWIFD) dataset utilizes the Statewide Hydrography dataset to accurately depict Washington's fish-bearing waterbodies. SWIFD is a GIS dataset that provides statewide fish distribution (presence) data for anadromous and resident salmonids and various game fish. The primary purpose of the dataset is to create a common data framework using the linework of the Statewide Hydrography dataset for fish information that better serves the management, conservation, and restoration of the State's fish habitat and fishery resources.

Understanding the location of the State's surface water directly informs much of the work that WDFW focuses on for restoration and conservation of our State's resources. As the U.S. Geological Survey (USGS) National Hydrography Dataset (NHD), the federal standard dataset for hydrography, becomes inconsistent, Washington State will need a hydrography that aligns with the next generation of hydrography mapping called 3D Hydrography Program (3DHP). The Department of Ecology's modernized stream mapping will improve the accuracy of our mapped streams across the State by using newer technologies, high-resolution data, and improved computing power and storage. From this request, Elevation-derived Hydrography that more accurately represents Washington surface water can also be incorporated into USGS 3DHP. Along with this, the creation of tools to help the migration from NHD to 3DHP. These enhancements will be imperative to the work of WDFW staff who utilize the Statewide Hydrography in their work.

WDFW fully supports the goals and deliverables for Washington Department of Ecology's Modernized Stream Mapping.

Sincerely,

Mubina Raza

IT Operations and Infrastructure Manager

Attachment C

Linkages to Puget Sound Action Agenda Implementation

This attachment provides additional supporting details for the following decision package (DP) as it relates to the Puget Sound 2022-2026 Action Agenda implementation.

CPR Title: Modernize Surface Water Mapping

Vital Signs

- Freshwater
- Marine Water
- Streams and Floodplains
- Estuaries
- Forests and Wetlands
- Good Governance

Strategies

- 2. Working Lands
- 4. Riparian Areas
- 5. Floodplains and Estuaries
- 6. Fish Passage Barriers
- 7. Freshwater Availability
- 9. Source Identification and Correction
- 10. Stormwater Runoff and Legacy Contamination
- 12. Working Lands Runoff
- 13. Oil Spills
- 18. Awareness of Effects of Climate Change
- 20. Climate Adaptation and Resilience
- B. Strategic Leadership & Collaboration
- C. Research & Monitoring

Desired Outcomes

- 1.1 Protect habitat and habitat-forming processes from conversion and fragmentation.

Actions

- 3. Conduct watershed-scale planning and land use planning to protect and restore water quality.
- 10. Support watershed cleanup implementation and the development of cleanup plans such as Total Maximum Daily Loads (TMDLs) and other strategies to limit fecal pollution.
- 11. Establish and implement science-based riparian protection, restoration, and management policies that result in a minimum '1 Site Potential Tree Height' forested riparian area standard.
- 12. Increase the number and accelerate implementation of habitat

acquisition and restoration projects as prioritized in salmon and watershed recovery plans.

- 18. Incorporate the economic risks and costs of development into land use planning in floodplain and estuary habitats.
- 19. Develop and maintain a Puget Sound-wide framework to build public support and political will, develop partnerships, mobilize funding resources, streamline permitting, and support monitoring for integrated floodplain management approaches to enhance outcomes for fish populations, flood risk, and agricultural viability (farm, fish, flood).
- 20. Prioritize, design, and implement reach-scale restoration and protection projects within a river basin or watershed.
- 28. Implement watershed plans that offset impacts from new domestic permit-exempt wells and achieve a net ecological benefit within the watershed.
- 36. Adjust stormwater permitting requirements or other local government programs to address nutrients in stormwater from residential and commercial lands.
- 64. Analyze the cumulative risk and consequences of oil spills, assess the effectiveness and feasibility of mitigation measures, and target additional spill prevention efforts.
- 122. Coordinate efforts to assess and report on ecosystem conditions and the effectiveness of ecosystem recovery strategies and actions.
- 123. Strengthen the leadership framework to guide the Puget Sound recovery effort and set action and funding priorities.
- 131. Expand monitoring, research, and assessment of the individual and cumulative impacts and risks of climate change on Puget Sound.
- 137. Implement multi-benefit projects and programs that synergistically advance Puget Sound recovery goals and reduce greenhouse gas emissions, increase carbon sequestration in Puget Sound ecosystems, increase climate adaptation, and promote climate resilience.
- 149. Increase availability of data, tools, and training, and increase the technical capacity of partners in the recovery community, to reduce the magnitude of and vulnerability to climate change, and advance adaptation of the Puget Sound socio-ecological system.
- 152. Inventory and assess all fish passage barriers (culverts, dams, etc.). Prioritize, sequence, and implement fish passage barrier correction or removal in watersheds.
- 182. Implement priority science work actions from the Science Work Plan for 2020-2024.
- 188. Develop and analyze alternative future scenarios to help leaders make decisions that will lead to system-level change under a range of projections for climate change, population growth, and other uncertainties.
- 201. Provide incentives, financial and technical support to local jurisdictions that have prioritized riparian restoration.

Action Agenda Program Targets

- 4,140 acres of working lands protected or improved
- Fund 4,554 acres of floodplain or estuary habitat restoration or reconnection
- Support 1,340 homes or structures with reduced flood or climate risk
- 675 acres of riparian buffer installed in Puget Sound agricultural areas
- Fund 6,000 acres of salmon habitat protection or restoration projects
- Fund the installation of best management practices in agricultural areas in Puget Sound with a cumulative effectiveness index of over 680 acres, 99,512 linear feet, and 2,748 units

Biennial Science Workplan

- SECONDARY: Adds value by filling gaps
- SECONDARY: Support Science Innovation
- SECONDARY: Support Continuity

Orca Task Force Recommendations (indirectly supports)

- 1. Significantly increase investment in restoration and acquisition of habitat in areas where Chinook stocks most benefit Southern Resident orcas.
- 35. Conduct research, science and monitoring to inform decision-making, adaptive management and implementation of actions to recover Southern Residents.
- 41. Collect high-quality nutrient data in watersheds to fill key knowledge gaps of baseline conditions.

Statewide Salmon Strategy Recommendations (indirectly supports)

- Protect and restore vital salmon habitat
- Invest in clean water infrastructure for salmon and people
- Correct fish passage barriers and restore salmon access to historical habitat- Indirect
- Build climate resiliency
- Enhance commitments and coordination across agencies and programs
- Strengthen science, monitoring, and accountability

NEP Stormwater Strategic Initiative 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**NEP Stormwater Strategic Initiative
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

As described in the budget request, while the benefits of salmon recovery work extend to all in Washington, Tribes and other communities more reliant on salmon as a source of food and heritage should benefit more. As far as we can reasonably foresee, this funding program does not make decisions that are anticipated to result in negative health impacts and environmental burdens or harm.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

The projects funded by this grant program benefit salmon recovery through improved water quality.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

We did not conduct any consultation specific to this budget request but are in frequent communication and coordination with Tribes as a part of this program.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No. This is not a new grant program.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

2023-25 IT ADDENDUM

Only use this addendum if your decision package includes IT costs

Part 1: Itemized IT costs

Complete the [2023-25 IT Fiscal Estimate Workbook](#) imbedded below. This workbook will identify the IT portion of the decision package.

In the workbook, agencies must itemize all IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff as required in ESSB 5693 Sec. 150(4)(a)(i-ix).

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IT Addendum
2023-25_MSM.xlsx

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Part 2: Questions about facial recognition and supporting the reuse of existing state resources

- A. Will this investment renew or procure a facial recognition service? ☐ Yes ☒ No
- B. Does this investment provide for acquisition of, or enhancement to, an administrative or financial system as required by [technology policy 122 - administrative and financial system investment approval](#)? ☐ Yes ☒ No
- C. If **Yes** to question B, has this decision package obtained OCIO and OFM Administrative and Financial System review approval? ☐ Yes ☐ No
- o If **Yes**, attach the approval letter.
 - o If **No**, the decision package should not be submitted. Recommendation will be "Do Not Fund."
- D. For DCYF, DOH, DSHS, HCA and the Washington Health Benefit Exchange only: Has this project been screened for inclusion in the HHS Coalition portfolio? ☐ Yes ☐ No
- E. Does this decision package support the adoption of modern, cloud-based technologies? ☐ Yes ☒ No

Part 3: Maintenance level decision packages

The questions in Part 3 are for **Maintenance level** decision packages and need to be answered. (If this is a policy-level decision package, skip Part 3 questions and respond to all questions in Part 4 and Part 5.)

- A. Is this renewal for an existing software or subscription? ☐ Yes ☒ No
- B. Does this continue a current maintenance contract? ☐ Yes ☒ No
- ☐ Yes ☒ No

C. Does this decision package fund the acquisition or expansion of hardware capacity?

If **Yes**, where is the hardware solution hosted?

☐ State Data Center.

☐ External Cloud.

☐ Other location.

☐ Yes ☒ No

D. Is this a routine, planned replacement of aging hardware or equipment?

If **Yes**, where will the hardware solution be hosted?

☐ State Data Center.

☐ External Cloud.

☐ Other location.

☐ Yes ☒ No

E. Has the agency performed research to determine if a modern cloud solution is available for this maintenance investment?

Part 4: Policy level decision packages

The questions in Part 4 are general questions for **policy-level** decision packages.

A. Type of Investment - Identify the decision package investment classification from the following list:

☐ Addresses technical debt.

☐ Cloud advancement.

☒ Continues existing project.

☐ Critical hardware upgrade.

☐ Improves existing service.

☐ Introduces new capabilities.

☐ System modernization.

B. Does this decision package fund the acquisition, development, enhancement, or replacement of a new or existing software solution?

☐ Yes ☒ No

If **Yes**, where will the software solution be hosted?

☐ State Data Center

☐ External Cloud

☐ Other location.

C. Do you expect this solution to exchange information with the state financial system (AFRS) or the OneWA solution (WorkDay)?

☐ Yes ☒ No

D. Does this decision package fund the acquisition or expansion of hardware capacity?

☐ Yes ☒ No

If **Yes**, where will the hardware solution be hosted?

☐ State Data Center

☐ External Cloud

☐ Other location.

E. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [Technology policy 121.](#)) ☐ Yes ☒ No

If Yes, name the project:

(Project name published on the [IT Dashboard](#))

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Part 5: IT investment prioritization and scoring questions

All policy level decision packages must provide a response to the following questions. Responses will be evaluated and ranked by the OCIO as required by [RCW 43.88.092](#). The criteria scoring scale being used by the OCIO to evaluate and rank decision packages is available on the OCIO [Decision Package Prioritization](#) website. See [23-25 Decision Package Prioritization Criteria](#).

Agency Readiness

Due diligence. Summarize the research, feasibility or due diligence work completed to support this decision package. Attach a copy of the feasibility study or other documentation of due diligence to the decision package.

Ecology requested and received funding in the 2022 supplemental budget to conduct a two-year pilot project in the Stillaguamish watershed to identify the technologies, methodologies, datasets, and resources needed to refine and maintain the accuracy of the WASHD. Work during year 1 of the pilot (fiscal year 2023) included an evaluation of the quality and accuracy of elevation-derived datasets and local hydrography data available in the watershed. Using the Elevation Derived Hydrography Specifications published by USGS (<https://www.usgs.gov/core-science-systems/ngp/ss/elevation-derived-hydrography-specifications>) project staff evaluated two elevation-derived datasets to determine which was more effective and accurate for the diverse landscapes across Washington.

The project held quarterly statewide stakeholder meetings with broad participation and monthly steering and technical committee meetings. The stakeholder meetings provided an opportunity for the community to be informed about the transition to EDH and updates on the pilot project, contribute to criteria for prioritizing statewide mapped stream updates, and a forum to ask and answer general questions. Based on stakeholder engagement activities conducted over the first year of the pilot, their top priorities for the WASHD are accuracy, associating information, accessibility to data, and communication.

The steering committee represents multiple key state agencies (Department of Fish and Wildlife, Department of Transportation, Department of Natural Resources, Washington Technology Solutions, Ecology, Puget Sound Partnership, and Commerce), county and local governments, Northwest Indian Fisheries Commission, U.S. Forest Service (USFS), Bureau of Land Management (BLM), and USGS. The committee provides executive guidance, input, and sponsorship for the pilot project. The technical committee, with similar representation, provides a breadth of technical expertise to discuss and address pilot findings, focus on overarching technical challenges, and share knowledge and lessons learned from previous efforts. These

engagements have been key to the success of this pilot project and the strong sponsorship to continue to make progress on improving our WASHD.

Because USGS announced its transition from NHD to 3DHP early into the project, the pilot refocused on evaluating if the 3DHP specifications and methodologies will meet the needs for an accurate and complete WASHD. During fiscal year 2023, all ~ 75,000 lines, waterbodies, and watershed catchments of hydrography data within the Stillaguamish were checked for accuracy using the following approach:

- Data was compared with other hydrography-related datasets, aerial imagery, and underlying surface data, land cover, wetland data, and many other local datasets.
- Feedback about data quality was recorded in a spreadsheet, and errors were tracked.
- Segments requiring more investigation were flagged for field check and further evaluation.
- Regular meetings were held to discuss findings, make decisions, and refine the review process.
- Data was then shared with steering and technical committee members.

Some challenges were identified with the USGS specifications and 3DHP model:

- Snowfields were not mapped, causing streams to be located on the outside of snowfields.
- Wetlands adjacent to mapped streams are no longer part of the dataset and were not included.
- Stream initiation and stream permanence will need to be determined by the state, causing an increase in segments where there is channelization but not necessarily flowing water.

These challenges are being discussed among both committees along with stakeholders, and solutions to meet Washington's needs will be identified during year 2 of the pilot.

Overall, stream segment miles almost doubled in length with a high level of accuracy within the pilot area. Stream segment length increased from 3,683 miles in the NHD to 7,025 miles in the EDH dataset. Ninety-six percent of the stream segments were accurate and did not require field checks or further review.

Governance and management. What governance processes will support this project? Examples of governance processes include appropriately placed executive sponsor, representative steering committee, resourced vendor/contract management, change control, and incorporating stakeholder feedback into decision making processes. Provide examples of how your proposed budget includes adequate funding and planning for governance processes, if applicable.

This request includes funding for a Project Manager. A member of Ecology's executive leadership team will be the Executive sponsor and the WASHD steward will be the technical team lead responsible for directing work of the technical team. A steering committee consisting of federal, state, local and tribal entities will guide the project and provide recommendations for decision making. There are approximately 150 participants from Federal, local, state and tribal entities that attend stakeholder meetings held by the WASHD steward. Conflicts or challenges that arise throughout the project will be discussed with both stakeholders and the steering committee, providing ample opportunity for feedback and inclusion into decision making. Contracts will be managed by Ecology contract staff.

Planning and readiness. Describe how your agency will resource the implementation of this investment request. Will in-house resources be used, or will resources be acquired? How has organizational change management been factored into planning and approach? Does the investment require a project management approach to be used? Describe whether project and organizational change management resources are included in this request or will be provided by in-kind resources. Describe whether the proposed budget includes costs associated with independent quality assurance.

This request includes funding to hire a project manager for this five-year project. A project management plan that includes a communication plan, organizational change management plan (using the ADKAR model), and project governance plan will be developed and used to measure progress.

Due to the data development/collection nature of this project, it does not fall easily into the Agile approach using minimum viable product, but data deliverables are iteratively reviewed prior to final product. This project will use project management tools to collect business and technical requirements, document milestones and tasks, and report progress and change control requests to the steering committee. Stakeholder meetings will inform business requirements, change management impacts, and help identify the training and tools needed to assist with data transformation and integration with 3DHP.

This budget request includes costs associated with independent quality assurance to provide project readiness assessment and monitoring of project if it is determined that the project is under gated funding or OCIO oversight.

Technical alignment

Strategic and technical alignment. Using specific examples, describe how this investment aligns with strategic and technical elements of the [Enterprise Technology Strategic Plan](#). Examples of strategic principles that tie back to tenets of the strategic plan include, but are not limited to, advance digital government, support use of common and shared technologies across agencies, improve the Washington customer experience across digital channels, strengthen privacy capacity in state and local government. Examples of technical principles that tie back to tenets of the strategic plan include but are not limited to; adoption of modern cloud-hosted technologies, provide proactive cybersecurity capabilities, reduce technical debt, expand integration between systems.

Efficient and Effective Government:

- This request will save funds through and efficient and organized statewide update on behalf of many statewide stakeholders, reducing the duplication of efforts.
- All updates will be incorporated into 3DHP and will be published through the [geospatial open data portal](#).¹
- Tools developed to migrate data to 3DHP and associate information to the new data schema will be available to the public.

Accountable IT Management:

- The project will use standard GIS technology software and will result in improving the accuracy of the state's [Hydrography Data Standard](#)² – per OCIO Policy 161.03. When the transition to 3DHP is complete, the Hydrography Data Standard will be updated.

¹ <https://geo.wa.gov/>

² <https://ocio.wa.gov/policy/16103-hydrography-data-standard>

- Consistent technical processes used to improve mapped streams will be applied across the State.

Enterprise Architecture

- The intent of this project is to minimize data by providing a single accurate hydrography dataset that can be used by all state, local, tribal, and federal partners.
- This project will use existing data (LiDAR, culverts, local data) for a statewide update.

Reuse and interoperability. Does the proposed solution support interoperability and/or interfaces of existing systems within the state? Does this proposal reuse an existing solution or existing components of a solution already in use elsewhere in the state? If the solution is a new proposal, will it allow for such principles in the future? Provide specific examples.

This proposal will use existing standard GIS software and the USGS 3DHP data schema. Applications and datasets that reference and utilize NHD will need to be updated to 3DHP. Staff funded through this proposal will develop tools and assist with the migration from NHD to 3DHP.

Business alignment

Business driven technology. What are the business problems to be addressed by the proposed investment? These business problems should provide the basis for the outcome discussion below. Describe how end users (internal and external) will be involved in governance and implementation activities.

The Governor's Riparian Protection & Restoration Workgroup identified the critical need to improve WA-NHD to address data inaccuracies that currently prohibits a statewide riparian assessment and monitoring program. This recommendation was then included in the Governor's Salmon Recovery Strategy. Members of the riparian workgroup will participate on the steering committee or at stakeholder workshops which will consist of tribal, federal, state, and local entities.

As part of the continuing two-year pilot, project staff, and the WASHD steward, have been engaging with stakeholders across the state to understand the business needs, priorities, and challenges of these groups as part of developing the WASHD strategic plan. Based on stakeholder engagement activities conducted over the first year of the pilot, their top priorities for the WASHD are accuracy, associating information, accessibility to data, and communication.

Measurable business outcome. Describe and quantify the specific performance outcomes you expect from this funding request. Provide specific examples of business outcomes in use within your agency, and how those outcomes will be improved because of this technology investment. Does the response align with the measurable business outcomes identified in the Strategic and Performance Outcomes in [Chapter 2](#) of the 2023-25 budget instructions? What outcomes and results, either positive or negative will occur? Identify all Lean initiatives and their expected outcomes. Include incremental performance metrics.

The outcome(s) of this request will significantly improve our WASHD that meets our stakeholder's needs. Specific performance outcomes include:

- Elevation-derived Hydrography dataset that most accurately represents Washington water.
- Updated hydrography is incorporated into USGS 3DHP
- Adjustments to methodologies for EDH in eastern WA landscapes
- Tools to migrate from NHD to 3DHP
- Tools to associate related data to WASHD
- Engagement with stakeholders to ensure hydrography updates and strategic plan meet stakeholder's needs.

Decision package urgency

During the evaluation and ranking process, the OCIO will take into consideration, the urgency of the decision package request. Describe the urgency of implementing the technology investment in this cycle and the impacts to business if it does not proceed as planned.

Currently, outside of the pilot, Ecology is only able to perform large area updates to the WASHD when sporadic grant funding opportunities become available, or through interagency agreements with local and state governments, which can create equity issues in how and where hydrography is updated in the state. If we have to revert back to our current approach once the pilot project ends, there will continue to be an ever-growing backload of data gaps and needed updates.

Furthermore, due to the USGS transition to its new 3DHP program, manual updates are not accepted into the NHD and WASHD would be a separate dataset that is not in alignment with federal standards. This would require additional staff and workload to develop and maintain a separate hydrography dataset and pose extreme challenges meeting reporting requirements to federal agencies such as the Environmental Protection Agency (EPA).

If this request is not funded, decisions made by resource managers would continue to be based on inaccurate assessments of ecological conditions. Progress coming out of the pilot to update the WASHD would be slowed, and stakeholder engagement and momentum lost, as Ecology would have to return to its historical approach for updating and maintaining the WASHD. Other entities may also start creating new EDH datasets that cannot be incorporated into 3DHP and WASHD.

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Agency Recommendation Summary

The health of Puget Sound is significantly degraded by excess nutrients that cause low dissolved oxygen, disrupt the food chain, and harm our orca and salmon populations. To help address this issue, Ecology issued the Puget Sound Nutrient General Permit in 2021, and in 2022, the Legislature provided one-time funding to develop recommendations on how to establish a nutrient credit trading program that could lead to quicker and more efficient nutrient reductions. The report was completed in June 2023, and Ecology is now requesting funding to complete the near-term work identified in the report, which will better inform decision makers around a potential nutrient credit trading program. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (General Fund-State)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	1.2	0.6	1.2	1.2	1.2
Operating Expenditures						
Fund 001 - 1	\$0	\$410	\$410	\$410	\$310	\$720
Total Expenditures	\$0	\$410	\$410	\$410	\$310	\$720

Decision Package Description

Background:

A healthy Puget Sound is an integral part of our regional identity, a vital source of food, the foundation of our natural resource economy, and the heart of our shared cultural history and future. Unfortunately, marine life, including orcas and salmon, are suffering due to the current state of Puget Sound. Excess nutrients, particularly nitrogen, can cause too much plant and algae growth, which ultimately depletes dissolved oxygen (oxygen). Many parts of Puget Sound currently have oxygen levels that fall below the concentrations needed for marine life to thrive. Other signs of nutrient pollution and an unhealthy Puget Sound include:

- Intensified fish kill events in sensitive areas of Puget Sound.
- Increased acidity of the water, which threatens shellfish.
- Marine food web shifts that prevent salmon and orca recovery.
- Increases in harmful algal blooms and nuisance species, like jellyfish.

To address this problem, Ecology has been developing a Nutrient Reduction Plan, which will use the best available science and modeling to identify nutrient sources and describe how we will reduce the different human sources of nutrient pollution to Puget Sound.

<https://ecology.wa.gov/Water-Shorelines/Puget-Sound/Helping-Puget-Sound/Reducing-Puget-Sound-nutrients/Puget-Sound-Nutrient-Reduction-Project>.

Current research shows discharges of excess nutrients to Puget Sound from domestic wastewater treatment plants (WWTPs) are significantly contributing to low oxygen levels in Puget Sound. This means Ecology must require WWTPs to control nutrients consistent with the federal Clean Water Act and Washington's Water Pollution Control Act. Ecology issued the Puget Sound Nutrient General Permit in 2021, which applies to 58 municipal or public-utility-district-owned WWTPs discharging to marine and estuarine waters of Puget Sound

<https://ecology.wa.gov/Regulations-Permits/Permits-certifications/Nutrient-Permit>.

The infrastructure costs associated with reducing nutrients from WWTPs are primarily paid by the public through local sewer rates, with large infrastructure investments often supplemented through federal and state funding in the form of grants and low interest loans. The region's growing population, along with the recognition that WWTP improvements to limit nutrients will take time, mean that work to reduce nutrient pollution to Puget Sound needs to start as soon as possible.

Nutrient Credit Trading – 2022 Recommendations

In response to this need, the Legislature provided funding in the 2022 supplemental operating budget and directed Ecology to research and recommend how the state may structure and establish a nutrient credit trading program for Puget Sound that could result in quicker and more efficient nutrient reductions from these WWTPs. Nutrient credit trading, which is a form of water quality trading specific to nutrients, is a market-based approach to help meet water quality goals and promote more effective, lower cost pollution reduction. A trading program assigns pollution reduction activities an improvement value, or a "credit", which can be traded on a local market to achieve cost effective water quality improvements.

The U.S. Environmental Protection Agency (EPA) has supported trading as an efficient and flexible approach to achieve water quality goals on a watershed basis, and several states have implemented trading programs to address nutrient pollution and meet their long-term water quality

goals. Ecology's draft framework for water quality trading within Washington published in March 2018 (<https://apps.ecology.wa.gov/publications/documents/1010064.pdf>) is a useful resource for understanding general concepts and considerations involved with establishing and implementing a trading program in Washington state waters.

Using the one-time funding provided in the 2022 supplemental budget, Ecology hired a contractor to conduct the necessary technical research to inform recommendations for designing and implementing a nutrient credit trading program in Puget Sound. In June 2023, Ecology submitted the following report (<https://apps.ecology.wa.gov/publications/SummaryPages/2310007.html>) to the Legislature that:

- Provides Ecology's recommendations on program structure, regulatory considerations, and funding needed to establish an effective nutrient credit trading program for point source dischargers covered under the Puget Sound Nutrient General Permit.
- Defines Ecology's strategy for future tribal engagement and consultation and stakeholder outreach to solicit feedback on Ecology's recommendations.
- Provides next steps for implementing the recommendations.

Problem/Opportunity:

Ecology is ready to begin taking the next steps identified in the legislative report for implementing these recommendations, but does not have the resources needed to move forward with that work. The funding provided in 2022 was one-time, and did not carry over into the current biennium. Along with hiring the contractor in fiscal year 2023, Ecology reassigned a small portion of an existing position (0.2 FTE) to help complete the report, but that position does not have capacity to begin implementing the recommendations.

There is interest among stakeholders to continue making progress on developing a nutrient credit trading program in Puget Sound, but additional staff and contract resources are needed to begin engaging stakeholders, Tribes, and dischargers on the recommendations, and conduct a market feasibility analysis to identify the potential efficacy and interest in such a program.

Proposed Solution:

To address these needs, Ecology is requesting funding for an ongoing position and contract resources to complete the following near-term work identified in the legislative report, which will better inform decision makers on the considerations for a potential nutrient credit trading for WWTPs in Puget Sound:

- **Conduct a market feasibility analysis.** A market feasibility analysis is a study which evaluates water quality targets, WWTP facility performance, risk and uncertainty measures, trading boundaries, and other information to determine the potential supply and demand of credits within a trading area. Such a study, which will be led by the requested staff and contractor, will provide valuable insight on the true potential for a trading program in Puget Sound.
- **Develop a formal engagement plan and initiate outreach to stakeholders, and dischargers.** The success of any water quality trading program will require stakeholder support. Based on the information provided in the consultant report, Ecology recommends three primary components to a stakeholder engagement plan. The requested staff will develop a formal stakeholder engagement plan, which will identify goals, key stakeholders, specific engagement opportunities, and a timeline of actions. They will also assist in identifying parties to participate on a technical advisory committee and crafting a plan to form such a committee.
- **Develop a formal Tribal engagement plan and initiate outreach to Tribes.** The plan will clearly describe how Ecology will partner with Tribes through development of a program and delineate the procedures for formal government to government consultation.
- **Develop trading resource materials and conduct additional research.** Technical research is needed on the necessary components of a trading program, including:
 - Developing trade ratios and geographic boundaries to mitigate risk and uncertainty.
 - Identifying eligible trade partners.
 - Exploring options for a trading database.
 - Developing policy documents.

Please note: This Decision Package does not request the resources that would be needed to implement a nutrient credit trading program for WWTPs in Puget Sound, should the state decide to move in that direction, but will support and further inform decisions around what would be required to make a program successful.

Section V. Water Quality Trading Program Funding of the research report (<https://apps.ecology.wa.gov/publications/SummaryPages/2310007.html>) that informed Ecology's recommendations discusses both funding needs and considerations that would need to be evaluated (pages 53-58). The needs identified represent areas where funding resources will be essential to nutrient credit trading program activities, regardless of the selected program design option. However, the magnitude of funding needed may vary, depending on the selected program structure option.

If a decision is made to move forward with implementing a trading program in the future based on the recommendations provided to the Legislature, Ecology would identify and request additional resources needed through future budget requests.

Impacts on Population Served:

In the near future, WWTPs covered under the Nutrient General Permit will be expected to significantly reduce their nitrogen discharge to Puget Sound, which will likely come at a financial cost to most communities. That cost has historically been passed on to ratepayers. This request will support the next steps in investigating the viability of a nutrient credit trading program for Puget Sound, which could provide an opportunity for communities across the entire basin to explore a more cost-effective approach to reducing WWTP nutrient pollution, while alleviating the financial burden for ratepayers.

If the state is able to establish a successful and well-supported nutrient credit trading program for Puget Sound Nutrient General Permit permittees in the future, there is the possibility of extending the program to other permitted nitrogen sources in the region (for example, privately-owned or Tribal WWTPs).

Also, there are several other trading questions that we expect to be facing in the future in other parts of the state. Developing and maintaining the expertise on water quality trading that will be supported by this request will also benefit communities outside of Puget Sound.

Alternatives Explored:

One alternative to this request would be to not move forward with the next steps identified in the legislative report. However, that is not a viable option for Ecology, as doing so would result in the state not having the information needed to move forward with a program in Puget Sound, should that be the decision made. If Ecology is able to take the next steps identified, permittees, stakeholders, and Tribes would not have as good of an opportunity to participate in the evaluation and decision-making process around a program, nor would decision makers have the information needed to determine the efficacy of a nutrient credit trading program.

The other alternative considered was to conduct education/outreach and market feasibility analysis using available resources. However, that too was not a viable option for Ecology, as it would require Ecology to shift staff from other environmental and public health work required to be done. Furthermore, redirecting staff would likely delay the work identified in the report, which would mean further investigation of a trading program would fall out of sync with the next cycle of the nutrient general permit, and the state wouldn't have the information needed to determine whether an economic market for water quality trading exists in Puget Sound.

Consequences of Not Funding This Request:

If this request is not funded, we would lack the resources needed to swiftly engage the public, the discharge community, and Tribes and begin the necessary work on key steps to developing a nutrient credit trading program for Puget Sound. Such a program could offer opportunities for dischargers to reduce their nutrient loading to Puget Sound quickly and more efficiently, resulting in a faster recovery of water quality impaired portions. A trading program could also address potential rate issues that have been consistently raised by dischargers.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

Does this request expand or alter a current program or service?

This request expands Activity A032 – Prevent Point Source Water Pollution by adding staff and contract resources to further investigate the viability of implementing a nutrient credit trading program for Puget Sound. Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is also in the agency's Administration Activity A002, but is not shown in the totals below.

Activity A032 – Prevent Point Source Water Pollution		
	2021-23	2023-25
FTEs Total	101.7	138.8
001-1 General Fund – State	\$943,000	\$1,231,000
001-2 General Fund – Federal	\$307,000	\$315,000
176-1 Water Quality Permit	\$22,256,000	\$ 34,937,000
21H-1 Wastewater Treatment Plant Operator Certification	\$512,000	\$ 722,000
23P-1 Model Toxics Control Operating - State	\$1,253,000	\$ 993,000
TOTAL	\$25,271,000	\$38,198,000

Detailed Assumptions and Calculations:

Beginning July 1, 2024, and ongoing, Ecology requires the following salaries, benefits, and associated staff costs to complete near-term work identified in the report to the Legislature on recommendations for how the state may structure and establish a nutrient credit trading program for Puget Sound:

- 1.0 FTE Environmental Specialist 4 (ES4) to lead the water quality trading work. This position will manage the existing contract discussed below and provide technical and policy expertise on these tasks with the contractor.

Beginning July 1, 2024, Ecology will require funding to support an existing one-time contract with the consultant that assisted with the legislative

report. Following completion of the legislative report, Ecology extended the contract with the consultant to provide policy and technical expertise for a nutrient credit trading program on an as-needed basis, as funding became available. Funding is necessary to complete the following specific tasks:

1. Provide outreach, education, and facilitation with stakeholders, Tribes, and permittees.
2. Provide technical expertise on interpreting and incorporating Salish Sea Model results into nutrient credit trading program technical components.
3. Conduct a market feasibility study.

Ecology estimates needing \$250,000 per year in fiscal years 2025 and 2026 for consultant services to support above tasks 1-3, and then \$150,000 per fiscal year starting in 2027 and ongoing for tasks 1 and 2.

Ongoing funding for the consultant is necessary as there are several Puget Sound Nutrient Reduction Plan and Nutrient General Permit technical analyses needed in the coming years. These analyses will be relevant to developing a nutrient credit trading program, which includes incorporating the results from Year 2 Salish Sea Model runs of nutrient source reductions, the Nutrient General Permit's all known and relevant technologies (AKART) analysis of potential WWTP facility improvements, and nitrogen optimization reports.

Each of these components will need to be analyzed for incorporation into a nutrient credit trading program, and their results will need to be communicated through our stakeholder and Tribal outreach processes. The cost estimates for these contracted resources are based on research from the legislative report and high-level scoping discussions with the existing contractor.

Funding requested for these resources is out of General Fund-State, consistent with how the report proviso was funded in the 2022 supplemental operating budget.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		86,324	86,324	86,324	86,324	86,324
B	Employee Benefits		31,077	31,077	31,077	31,077	31,077
	Personal Service						
C	Contract		250,000	250,000	150,000	150,000	150,000
E	Goods and Services		5,224	5,224	5,224	5,224	5,224
G	Travel		1,563	1,563	1,563	1,563	1,563
J	Capital Outlays		1,031	1,031	1,031	1,031	1,031
T	Intra-Agency Reimbursements		34,986	34,986	34,986	34,986	34,986
	Total Objects		410,205	410,205	310,205	310,205	310,205

Staffing

Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
ENVIRONMENTAL SPEC 4	86,324		1.00	1.00	1.00	1.00	1.00
FISCAL ANALYST 2			0.10	0.10	0.10	0.10	0.10
IT APP DEVELOPMENT-JOURNEY			0.05	0.05	0.05	0.05	0.05
	Total FTEs		1.15	1.15	1.15	1.15	1.15

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Goods and Services are the agency average of \$5,224 per direct program FTE

Contracts are \$250,000 in fiscal years 2025 and 2026, and \$150,000 in fiscal year 2027 and ongoing.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits, and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving the following Governor's Results Washington goals:

- Goal 2: Prosperous Economy because it could move us towards providing more cost-effective approaches for communities to reduce their nutrient pollution to Puget Sound and alleviate the financial burden on the local rate payers.
- Goal 3: Sustainable Energy & Clean Environment because it may provide an alternative to reduce nutrient pollution to Puget Sound more quickly and efficiently.
- Goal 4: Health & Safe Communities because it could move us towards reducing nutrient pollution in our waters and restoring Puget Sound's ecosystem.

This request is essential to achieving Ecology's Goal 4: Protect and manage our state waters because it could move us towards more quickly and efficiently reducing nutrient pollution to Puget Sound, which will result in a faster recovery for the Puget Sound ecosystem.

This request also directly implements the following recommended priorities and action areas in the 2021 Governor's salmon strategy update.

- Strategic Priority:
 - 1. Protect and restore vital salmon habitat.
 - 2. Invest in clean water infrastructure for salmon and people.
- Action Areas:
 - 1a. Regulatory protection.
 - 2b. Stormwater and wastewater infrastructure improvements.

Performance Outcomes:

The outcome of this request will be the completion of near-term work that supports recommendations provided to the Legislature for how the state may structure and establish a nutrient credit trading program for Puget Sound that could lead to quicker and more efficient nutrient reductions. Excessive human sources of excess nutrients cause low dissolved oxygen, disrupt the food chain, and harm our orca and salmon populations.

Equity Impacts

Community outreach and engagement:

The development of this proposal was informed through discussions with dischargers and attendees of the Puget Sound Nutrient Forum. Several Tribes have been involved or indicated interest in this proposal through discussions at Northwest Indian Fisheries Commission Coordinated Tribal Water Quality Program meetings and virtual meetings over the past year.

Our engagement strategy, which will be finalized with this funding, is a comprehensive approach ensuring we are offering the same level of engagement opportunity to disadvantaged/overburdened communities, dischargers, environmental groups, and the general public. This approach will include:

- A state-led open engagement process allowing ongoing engagement from any members of the public.
- A state-led Water Quality Trading Advisory Committee, which will be composed of technical experts which will provide input on program components.
- A state-led interest group process, where Ecology will dedicate time to more focused engagement with stakeholders, such as meeting directly with members of disadvantaged/overburdened communities covered under the Puget Sound Nutrient General Permit.

Additionally, we will be developing a formal Tribal engagement and consultation strategy in coordination with Puget Sound Tribes. The plan will include the following components:

- Offer Tribes seats on a Water Quality Trading Technical Advisory Committee (which is described above in the Community Outreach and Engagement subsection).
- Commit to offer a Tribal preview and comment period, prior to public review of any draft policy, rule or statutory language, or other materials related to the trading program.
- Commit to engage Tribes early and often regarding any new program developments.
- Offer opportunity for formal consultation at any point in program development and clearly describe how to initiate consultation.

Disproportional Impact Considerations:

The trading program is not anticipated to negatively impact or exclude any overburdened communities or vulnerable populations. During implementation of the program, we intend to work to ensure overburdened communities, vulnerable populations, and Tribes do not experience localized water quality issues (water quality hot spots). Trading programs are a promising approach for dischargers to have more timely and cost-effective ways to address water quality goals; however, if done poorly, they can cause localized water pollution concerns. For this reason, appropriate staff capacity is critical to support the development of the trading program and to work closely with communities to understand and address their concerns.

Target Populations or Communities:

An inadequately scoped and designed nutrient credit trading program has the potential for negative environmental impacts to low-income and overburdened communities. Existing trading programs across the country have demonstrated it is typically lower-income communities that cannot afford facility upgrades that rely on purchasing credits to meet permit requirements. However, if the credit seller's reduced discharge levels are not actually offsetting the additional pollution discharged by the credit buyer, then local water quality problems may arise. This situation highlights the importance of developing accurate and protective trade ratios, which ensure trades are not reducing water quality. Ecology is committed to engaging these communities as we develop these technical program components.

This program is anticipated to have economic and environmental benefits for local communities and will be designed to strategically reduce impacts and increase benefits to low-income and overburdened communities. Nutrient credit trading will allow WWTP facilities to invest in a potentially more cost-effective alternative to meeting their WWTP permit requirements. Currently, the cost for WWTP facilities to reduce nitrogen discharge often results in increase costs to ratepayers, including residents and communities who may be overburdened and/or low-income. However, this trading program is anticipated to reduce costs to WWTP at the municipal/county level, and cost savings should be passed on to the ratepayers in those communities.

Other Collateral Connections

Puget Sound Recovery:

This request supports Puget Sound Action Agenda implementation through Ongoing Program: OGP_ECY34: Water Quality - Control Stormwater and Wastewater Pollution and the following Vital Signs, Strategies, Desired Outcomes, and Actions included in the 2022-2026 Puget Sound Action Agenda:

Vital Signs

- Marine Water

Strategies

- 11. Wastewater Systems

Desired Outcomes

- 2.2.1. Municipal wastewater discharges of nutrients to Puget Sound meet water quality-based effluent limits and other requirements of the nutrients general permit.
- 2.2.4. Significant anthropogenic sources of nutrients identified (using watershed monitoring and modeling tools) and reduced.

Actions

- 37. Develop a permit framework for advanced wastewater treatment to reduce nutrient discharge and other pollutants and provide technical and financial support for implementation.

This request also supports efforts under the Governors' Executive Order 1802, Southern Resident Orca Recovery and Task Force through the following recommendation: #39 Develop a National Pollutant Discharge Elimination System permit framework for advanced wastewater treatment in Puget Sound to reduce nutrients in wastewater discharges to Puget Sound by 2022.

State Workforce Impacts:

N/A

Intergovernmental:

This request will support increased outreach and communication with Tribal, regional, county and city governments, and political subdivisions of the state. Ecology is confident all parties will support increased outreach and transparency on nutrient credit trading. The specific governmental entities we hope to engage within the Puget Sound region include:

- Tribes
- 58 Puget Sound Nutrient General Permit holders
- Local Governments
- Other State Agencies

We have done stakeholder work on this request, including outreach with Tribes and permittees. Based on past discussions with dischargers and Tribes and our initial outreach on the legislative report, we anticipate there will be a mix of support and opposition to a trading program itself. We expect permittees will be interested in trading because it may provide a more cost-effective approach to meeting permit requirements. We learned through early outreach efforts that Tribes have concerns over localized water quality issues that may happen as a result of trading. Their concerns highlight the importance of establishing technical components to a trading program, which will help mitigate risk and uncertainties around a trading program.

Stakeholder Response:

We have a very large stakeholder group in Puget Sound called the Puget Sound Nutrient Forum, which consists of a wide range of stakeholders that includes permittees, environmental groups, community members, and anyone else who is interested in nutrients in Puget Sound. We presented our report recommendations to them in July 2023, and mentioned this budget request as part of that presentation.

Environmental groups are likely to not be supportive of the idea of nutrient credit trading, as it is generally perceived as a "pay to pollute program". However, this highlights the importance of robust stakeholder outreach to demonstrate a well-designed trading program can be viable tool to meeting water quality goals. It is not a "pay to pollute" since water quality goals will need to be met through the trading program.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

This request supports the next steps for implementing recommendations that were developed at the direction of the Legislature section 302(46) of the 2022 supplemental operating budget.

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Nutrient Credit Trading Program-HEAL Attachment.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$86	\$86	\$86	\$86	\$172
Obj. B	\$0	\$31	\$31	\$31	\$31	\$62
Obj. C	\$0	\$250	\$250	\$250	\$150	\$400
Obj. E	\$0	\$5	\$5	\$5	\$5	\$10
Obj. G	\$0	\$2	\$2	\$2	\$2	\$4
Obj. J	\$0	\$1	\$1	\$1	\$1	\$2
Obj. T	\$0	\$35	\$35	\$35	\$35	\$70

Agency Contact Information

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Nutrient Credit Trading Program 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**Nutrient Credit Trading Program
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

The trading program is not anticipated to negatively impact or exclude any overburdened communities or vulnerable populations. During implementation of the program, we intend to work to ensure overburdened communities, vulnerable populations, and Tribes do not experience localized water quality issues (water quality hot spots). Trading programs are a promising approach for dischargers to have more timely and cost-effective ways to address water quality goals; however, if done poorly, they can cause localized water pollution concerns. For this reason, appropriate staff capacity is critical to support the development of the trading program and to work closely with communities to understand and address their concerns.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

There may be concerns regarding tribal treaty rights when developing a nutrient credit trading program, particularly in watersheds in receiving waters. The budget request includes resources to conduct tribal consultation to learn about any potential tribal concerns.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

The development of this proposal was informed through engagement with discussions with dischargers and attendees of the Puget Sound Nutrient Forum. Several Tribes have been involved or indicated interest in this proposal through discussions at Northwest Indian Fisheries Commission Coordinated Tribal Water Quality Program meetings and virtual meetings over the past year.

We will be developing a formal Tribal engagement and consultation strategy in coordination with Puget Sound Tribes. The plan will include the following components:

- Offer Tribes seats on a Water Quality Trading Technical Advisory Committee (which is described below in the stakeholder engagement subsection).
- Commit to offer a Tribal preview and comment period, prior to public review of any draft policy, rule or statutory language, or other materials related to the trading program.
- Commit to engage Tribes early and often regarding any new program developments.
- Offer opportunity for formal consultation at any point in program development and clearly describe how to initiate consultation.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No. This request does not represent a significant agency action under the HEAL Act.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and

Nutrient Credit Trading Program
2024 Supplemental Budget HEAL Act Template

equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

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Agency Recommendation Summary

Managing wastewater and stormwater is critical for protecting the health of surface and groundwater. Using a system of water quality permits, Ecology manages when, where, and how treated wastewater and stormwater enters the environment. In 2022, Ecology requested and received funding for a two-year project to make critical improvements to the usability and reporting accuracy of the state's water quality permitting systems. While work completed to date has resolved a number of the issues that had been identified, those efforts also revealed that the work required to update and effectively maintain these systems requires an ongoing effort. Therefore, Ecology is requesting funding for additional staffing resources needed to update and maintain these systems and ensure compliance with federal data reporting requirements on an ongoing basis. (Water Quality Permit Account)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	3.5	1.75	3.5	3.5	3.5
Operating Expenditures						
Fund 176 - 1	\$0	\$591	\$591	\$591	\$591	\$1,182
Total Expenditures	\$0	\$591	\$591	\$591	\$591	\$1,182

Decision Package Description

Background:

Managing wastewater and stormwater is critical for protecting the health of surface and groundwater. Using a system of water quality permits, Ecology manages when, where, and how treated wastewater and stormwater enters the environment. As a condition of these permits, holders are required to report monitoring and permit data to Ecology. These reports must be electronically signed by an authorized user of the permitted facility and stored in Ecology's Permit and Reporting Information System (PARIS), per federal electronic reporting (e-reporting) rules and our delegated authority from the U.S Environmental Protection Agency (EPA) to operate the National Pollutant Discharge Elimination System (NPDES) permitting program. Ecology is also required to flow permit data from PARIS to EPA through their Integrated Compliance Information System (ICIS).

PARIS is open to the public and contains all of Ecology's water quality permit information, including the actual permit issued, and the associated monitoring and reporting data reported to Ecology. PARIS is a resource that many rely on – both inside and outside of Ecology. There are five different systems that interact when permittees upload permitting data to PARIS:

1. PARIS Portal permit holders use the PARIS Portal to submit required monitoring data, application and renewal documents, reports, and other information.
2. Cross Media Electronic Reporting Rule (CROMERR) application stores electronically signed data and replicates it to the two PARIS data systems below.
3. Internal PARIS for internal use by Ecology staff with full author and editing ability. Staff use this permit system to record permit information, store records, and communications.
4. Public PARIS public-facing read-only access that contains permit information such as application documents, inspections, discharge monitoring data, and enforcement actions.
5. ICIS Data Flow - sends information from Internal PARIS to EPA for reporting by its external facing Enforcement and Compliance History Online application (ECHO).

2022 Supplemental

To help permit holders comply with their reporting requirements, the submission process for reporting required data to PARIS needs to be easy to use and problem-free. Unfortunately, based on feedback from permit holders over the years, that hasn't been the case. In the past, permittees have had to navigate two authentication systems to submit reports to PARIS, both requiring separate user accounts that were not integrated. Users were also unable to unlock their accounts after three incorrect password entries or retrieve their password if they had forgotten it. In these cases, permittees had to contact Ecology IT staff to have their accounts manually unlocked.

Additionally, issues with how data has flowed between PARIS and EPA showed Washington as having the worst water quality compliance in the country, which was not accurate. Missing data elements in PARIS, combined with data structure and data flow issues between the two systems, had resulted in over 70 percent of Washington permittees being listed as significantly non-compliant in the category of water quality reporting, which was not a true reflection of permit compliance in our state. In reality, only about 10 percent of active permits were missing required reporting information.

In response to these customer experience and data flow issues, Ecology requested and received funding in the 2022 supplemental operating budget for a two-year project to improve the accessibility, usability, and efficiency of PARIS, and resolve the issues with how data flows between our systems and EPA. To date, the project has addressed a number of the issues identified, including:

- CROMERR was updated in 2023 to allow end users to securely unlock their own accounts and recover forgotten usernames and passwords. Moving forward, in fiscal year 2024, the requirement that a CROMEER account be authorized with a wet link signature and form will be replaced by an electronic signature workflow.
- The PARIS to ICIS data flow was rebuilt in fiscal year 2023 to resolve the immediate issues that had led to the past erroneous error rates for Washington's water quality permits. In 2024, project staff will complete an in-depth business analysis to better align business rules between Ecology and EPA, which will better inform continued alignment of the data flow.

Problem:

As Ecology has worked through the issues identified in our 2022 Decision Package, it has become clear that the additional work required to update and effectively maintain our water quality permit data and reporting systems requires an ongoing effort.

ICIS Data Flow

While work completed to date addressed the large data gaps that had caused previous compliance rate issues for Washington's permits, it also identified other gaps and errors in the data flow that need to be resolved. The data flow was rewritten in partnership with the EPA to address dataflow errors with individual permits. However, similar data analysis, review of business rules, and refactoring of the data flow needs to be performed for Ecology's general permits. Differences in how permits are created and administered between the two agencies, including permit start dates, termination dates, and the nature and number of outfalls, require ongoing translation between the two systems to avoid inaccurate compliance outcomes in the future.

Also, as Ecology creates and issues new permit types, it will add new data elements and change validation ranges that need to be continuously mapped to EPA. While federal permits and the NPDES requirements are the baseline for data collection needs, Washington's state waste discharge permits are more restrictive than federal permits, and those data elements, validation ranges, and limit sets need to be updated in order to flow properly. So, while project staff have worked to resolve several of the major mapping issues that had existed between the systems, the need to maintain the flow is an ongoing need.

Furthermore, changes currently happening at the federal level will require additional work on Ecology's part to remain compliant with federal data and reporting requirements in the future. EPA has started work on a new version of the ICIS data flow, and while a timeline for its rollout has not been published, when it is, Ecology will need resources to analyze the specifications and build a new data flow from PARIS to the new system.

Also, beginning December 1, 2025, updated e-reporting rules will require additional data collected from NPDES permittees and other regulated entities to be submitted electronically through the data flow. Currently, not all the data that will need to be flowed is in a compatible format, and Ecology will need resources to extract the data, transform it, and add it to the data flow. Data reported electronically will be made available to the public via EPA's ECHO system (<https://echo.epa.gov/>). ECHO enables public searches for facilities in local communities to assess their compliance with environmental regulations. It can also help investigate pollution sources, examine, and create enforcement-related maps, or explore states' performance.

PARIS Portal and CROMEER

These systems are built on older technology that needs to be modernized, and while Ecology has been able to address usability issues with these systems since 2022, work to migrate them to updated platforms requires a longer-term effort. Business analysis on the recommended approach for CROMERR modernization has been completed, with a recommendation to move from the current fully customized solution to one that uses EPA-hosted services. However, Ecology needs to complete additional business analysis for both systems to help ensure that the planned development work aligns with the agency's current direction on application architecture and cloud strategy.

Proposed Solution:

To address the ongoing complexities around upgrading and maintaining the integrated components of PARIS and its associated data flow to EPA, Ecology is requesting funding for two additional Application Developers and an IT Business Analyst position. One developer will continue to support the modernization and process improvements associated with PARIS, the Portal, and CROMERR. This work will include porting the permit applications to new .NET 6 frameworks and optimizing them for the cloud.

The second developer will focus on maintenance and modernization of the ICIS data flow with the EPA. This work will include extraction of Notice of Termination data from PARIS, fixes to and validation of permit limit sets, and the ongoing alignment of both current and future data elements between PARIS and ICIS.

The requested business analyst will perform IT needs identification and assessments for CROMERR, ICIS, and PARIS that can then be implemented by the application developers. This position will perform data flow gap analysis and maintain a data dictionary to facilitate mapping of data between Ecology and the EPA on an ongoing basis. They will also monitor changes to federal Clean Water Act and e-reporting rule requirements so that any needed modifications that are planned for and implemented so the state remains compliant.

Impacts on Population Served:

Close to 7,000 water quality permits in Washington help Ecology protect our waters to sustain healthy watersheds and communities throughout the state. This work ensures state waters support beneficial uses, including recreational and business activities, supplies for clean drinking water, and protection of fish, shellfish, wildlife, and public health. Our IT systems for permitting are a foundational element of our environmental protection work, and if this IT infrastructure is not working well, it can limit the effectiveness of our protection work through waste, inefficiencies, and lost opportunities. Having accurate and timely water quality data available is important to the businesses we permit and the people and communities across the state that those businesses serve.

Alternatives Explored:

Ecology could delay needed improvements, but that is not a viable option as it would continue to place the state at risk of being out of compliance with federal data reporting requirements. Not supporting this request would mean that critical oversight of the data flow improvements supported by the 2022 supplemental operating budget will lapse after fiscal year 2024. This would put the data flow improvements made to date at risk and would allow other errors to increase the state's non-compliance rate in the future.

Ecology has worked closely with EPA to resolve the major data flow issues initially identified, and we continue to meet with them on the status of both remaining and/or newly identified issues. Continuing to address these issues is a high priority for EPA, and they continue to expect Washington to expedite solutions to these problems.

Using current staff to do the work is also not a viable option, because we have deadline driven, prioritized deliverables currently using all our existing staff capacity. Priorities include state required updates for IT security and accessibility; IT mandates for application modernization to support cloud computing initiatives; modifications for permit reissuance work; nonpoint pollution data collection support to capture information critical to water pollution issues, such as toxics and nutrient discharges; and financial system support for revenue generating activities.

Consequences of Not Funding This Request:

If this request is not funded, the state would run the risk of losing the gains achieved from the work completed since 2022, as errors would creep back into the flow without consistent oversight and remediation. The work completed in fiscal year 2023 uncovered additional gaps in the data that need addressed, and if left unresolved, these would prevent Ecology from being compliant with data flow requirements or from meeting EPA's updated e-reporting rules in the future. Without the requested resources, our permitting systems would continue to be inefficient, outdated, a challenge to navigate, and at risk for future data flow and reporting issues.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request expands activity A032 – Prevent Point Source Water Pollution by supporting additional IT staff needed to make changes to improve and maintain Ecology’s water quality permitting systems. Below is a summary of the 2021-23 and 2023-25 base funding and FTEs for this activity. Administrative Overhead related to this activity is in the Ecology’s Administration Activity A002 and is not included in the totals below.

A032 Prevent Point Source Water Pollution		
	2021-23	2023-25
FTEs Total	101.7	138.8
001-1 General Fund – State	\$943,000	\$1,231,000
001-2 General Fund – Federal	\$307,000	\$315,000
176-1 Water Quality Permit	\$22,256,000	\$34,937,000
21H-1 Wastewater Treatment Plant Op Cert	\$512,000	\$722,000
23P-1 Model Toxics Control Operating – State	\$1,253,000	\$993,000
TOTAL	\$25,271,000	\$38,198,000

Detailed Assumptions and Calculations:

Beginning July 1, 2024, and ongoing, Ecology requires salaries, benefits, and associated staff costs to support three new IT positions to address water quality permit systems technology improvements:

- 2.0 FTEs IT Application Developers – One position will continue the modernization, refactoring, and technical debt reduction of PARIS, Public PARIS, the web Portal, and CROMERR. The other position will focus on the ICIS data flow controls, PARIS database elements, and implement business rules to map Ecology data to the EPA, both now, and as the federal e-reporting rules evolve.
- 1.0 FTE IT Business Analyst – This position will analyze EPA’s e-reporting rule requirements, synthesize business logic, and perform IT needs identification for CROMERR and ICIS that can then be implemented by the application developers. This position will also perform data flow gap analysis and maintain a data dictionary to facilitate mapping of data between Ecology and the EPA on an ongoing basis.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		321,462	321,462	321,462	321,462	321,462
B	Employee Benefits		115,725	115,725	115,725	115,725	115,725
E	Goods and Services		15,672	15,672	15,672	15,672	15,672
G	Travel		4,689	4,689	4,689	4,689	4,689
J	Capital Outlays		3,093	3,093	3,093	3,093	3,093
	Intra-Agency						
T	Reimbursements		130,284	130,284	130,284	130,284	130,284
	Total Objects		590,925	590,925	590,925	590,925	590,925

Staffing							
Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
IT APP DEVELOPMENT-JOURNEY	107,154		2.00	2.00	2.00	2.00	2.00
IT BUSINESS ANALYST-JOURNEY	107,154		1.00	1.00	1.00	1.00	1.00
FISCAL ANALYST 2			0.30	0.30	0.30	0.30	0.30
IT APP DEVELOPMENT-JOURNEY			0.15	0.15	0.15	0.15	0.15
Total FTEs			3.45	3.45	3.45	3.45	3.45

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Goods and Services are the agency average of \$5,224 per direct program FTE.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits, and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving Ecology's Goal 1: Support and engage our communities, customers, and employees because it will give our regulated customers and our employees an efficient, user-friendly system that contains and transmits accurate water quality permit data that is available to the public.

This request is essential to achieving Ecology's Goal 4: Protect and manage our state's waters and the Governor's Results Washington Goal 3: Sustainable energy and a clean environment because it will improve the system we use to capture, store, and report water quality permit data we use to make decisions that ensure state waters support beneficial uses, including recreational and business activities, clean drinking water, and the protection of fish, shellfish, wildlife, and public health.

It is also essential to achieving the Governor's Results Washington Goal 5: Efficient, effective, and accountable government because it will improve data quality and reporting capabilities in Public PARIS, which increases transparency and accountability for water quality permit holders.

Performance Outcomes:

The outcome of this request will be an improved suite of water quality permitting systems for collecting, storing, and reporting accurate water quality permit data. Specifically, on-time discharge monitoring reporting will increase, data provided for ingestion into EPA website will be more accurate, time spent responding to errors or problems (work that does not result in a product) will be freed up for higher priority work, the need for constant patch work fixes will decline, and IT staff productivity will increase.

Equity Impacts

Community outreach and engagement:

This proposal will add IT staff develop capacity to address data systems needs related to water quality permits. Ecology does not anticipate any impacts to overburdened communities or vulnerable populations related to this request and did not engage communities or offer consultation with Tribes.

Disproportional Impact Considerations:

Ecology does not anticipate any impacts to overburdened communities or vulnerable populations related to this request.

Target Populations or Communities:

This request is for staff capacity to support accurate and timely water quality permit data available through Public PARIS. Adequately staffing developers to update and maintain permit and compliance information is an essential service to permittees as well as communities who are affected by impacts to local water quality. Washington residents, Tribes, indigenous communities, and businesses across the state are supported by these permits which help ensure state waters support beneficial uses, including recreational and business activities, supplies for clean drinking water, and protection of fish, shellfish, wildlife, and public health.

This request will specifically support communities located in Puget Sound, Spokane River, and Columbia River basins.

The water quality improvements tied to this request will have key benefits for Tribes and indigenous populations, overburdened communities, and potentially vulnerable populations by supporting data transparency and timely information about the status of permittee water quality compliance.

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

Ecology issues NPDES and state waste discharge permits to many governmental entities, including municipalities and federal and state agencies. It is important to have accurate and timely data in PARIS and especially in transmitting compliance reporting to EPA that show they are meeting state and federal requirements to protect and manage the water bodies in our state.

Stakeholder Response:

Permit holders are frustrated with Ecology's current permitting systems and their poor user interfaces, while EPA needs water quality permit data to flow correctly. Incorrect data replicated to the EPA can cause some permittees to be excluded from industry specific awards and contracts because they appear to be non-compliant. This request supports better data quality, and Ecology anticipates support from stakeholders for the improvements supported by this request.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

The use of Ecology's water quality permitting systems is required by our NPDES permits and delegation agreement with EPA for implementing the federal Clean Water Act.

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Fix and Modernize WQ Permit Systems-HEAL Attachment.pdf](#)

[Fix and Modernize WQ Permit Systems-IT Addendum.docx](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$321	\$321	\$321	\$321	\$642
Obj. B	\$0	\$116	\$116	\$116	\$116	\$232
Obj. E	\$0	\$16	\$16	\$16	\$16	\$32
Obj. G	\$0	\$5	\$5	\$5	\$5	\$10
Obj. J	\$0	\$3	\$3	\$3	\$3	\$6
Obj. T	\$0	\$130	\$130	\$130	\$130	\$260

Agency Contact Information

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Fix and Modernize WQ Permit Systems 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
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HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

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- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
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Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**Fix and Modernize WQ Permit Systems
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

The water quality permit data system provides information about permittees and related water quality compliance across the state. This project is not anticipated to have a direct negative impact on overburdened communities and vulnerable populations. Ecology does anticipate that improvements to accuracy and timeliness of water quality permit compliance information will provide benefits to permittees and communities across Washington and may provide especially critical information for communities overburdened with and more vulnerable to higher environmental health risks.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

No impacts are anticipated to Tribal rights and interest in their tribal lands.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

This proposal is to add IT developer capacity to address data system needs. Ecology did not engage or offer consultation with Tribes. The monitoring and other permit data in these data systems are available to the public, but most importantly they are delivered to EPA. EPA is the only organization Ecology consults with regarding meeting our commitments related to flow data obligations.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No. This request is not a significant agency action under the HEAL Act.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

2023-25 IT ADDENDUM

Only use this addendum if your decision package includes IT costs

Part 1: Itemized IT costs

Complete the [2023-25 IT Fiscal Estimate Workbook](#) imbedded below. This workbook will identify the IT portion of the decision package.

In the workbook, agencies must itemize all IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff as required in ESSB 5693 Sec. 150(4)(a)(i-ix).

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ITaddendum2023-25.

xlsx

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Part 2: Questions about facial recognition and supporting the reuse of existing state resources

- A. Will this investment renew or procure a facial recognition service? ☐ Yes ☒ No
- B. Does this investment provide for acquisition of, or enhancement to, an administrative or financial system as required by [technology policy 122 - administrative and financial system investment approval](#)? ☐ Yes ☒ No
- C. If **Yes** to question B, has this decision package obtained OCIO and OFM Administrative and Financial System review approval? ☐ Yes ☐ No
- o If **Yes**, attach the approval letter.
 - o If **No**, the decision package should not be submitted. Recommendation will be “Do Not Fund.”
- D. For DCYF, DOH, DSHS, HCA and the Washington Health Benefit Exchange only: Has this project been screened for inclusion in the HHS Coalition portfolio? ☐ Yes ☐ No
- E. Does this decision package support the adoption of modern, cloud-based technologies? ☐ Yes ☒ No

Part 3: Maintenance level decision packages

The questions in Part 3 are for **Maintenance level** decision packages and need to be answered. (If this is a policy-level decision package, skip Part 3 questions and respond to all questions in Part 4 and Part 5.)

- A. Is this renewal for an existing software or subscription? ☐ Yes ☐ No
- B. Does this continue a current maintenance contract? ☐ Yes ☐ No

C. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☐ No

If **Yes**, where is the hardware solution hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

D. Is this a routine, planned replacement of aging hardware or equipment? ☐ Yes ☐ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center.
☐ External Cloud.
☐ Other location.

E. Has the agency performed research to determine if a modern cloud solution is available for this maintenance investment? ☐ Yes ☐ No

Part 4: Policy level decision packages

The questions in Part 4 are general questions for **policy-level** decision packages.

A. Type of Investment - Identify the decision package investment classification from the following list:

- ☒ Addresses technical debt.
- ☐ Cloud advancement.
- ☒ Continues existing project.
- ☐ Critical hardware upgrade.
- ☒ Improves existing service.
- ☐ Introduces new capabilities.
- ☒ System modernization.

B. Does this decision package fund the acquisition, development, enhancement, or replacement of a new or existing software solution? ☒ Yes ☐ No

If **Yes**, where will the software solution be hosted? ☐ State Data Center
☒ External Cloud
☐ Other location.

C. Do you expect this solution to exchange information with the state financial system (AFRS) or the OneWA solution (WorkDay)? ☐ Yes ☒ No

D. Does this decision package fund the acquisition or expansion of hardware capacity? ☐ Yes ☒ No

If **Yes**, where will the hardware solution be hosted? ☐ State Data Center

☐ External Cloud

☐ Other location.

E. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [Technology policy 121.](#)) ☐ Yes ☒ No

If Yes, name the project:

(Project name published on the [IT Dashboard](#))

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Part 5: IT investment prioritization and scoring questions

All policy level decision packages must provide a response to the following questions. Responses will be evaluated and ranked by the OCIO as required by [RCW 43.88.092](#). The criteria scoring scale being used by the OCIO to evaluate and rank decision packages is available on the OCIO [Decision Package Prioritization](#) website. See [23-25 Decision Package Prioritization Criteria](#).

Agency Readiness

Due diligence. Summarize the research, feasibility or due diligence work completed to support this decision package. Attach a copy of the feasibility study or other documentation of due diligence to the decision package.

After a dramatic rise in significant non-compliance rates reported by the EPA (Environmental Protection Agency), Ecology worked with the EPA to address dataflow issues. During this work, additional data gaps and data element mismatches were discovered. Water Quality determined the need for additional IT staff to support its permit systems, based on the response time currently available with existing staff to respond to bugs, fixes, maintenance issues, and application improvements. Water Quality has a list of current enhancements needed to these systems, which continues to grow with new permit issuance, and changes in EPA e-reporting rules.

The Water Quality Permit and Technical Services unit maintain a groomed backlog of enhancements in Azure DevOps for the Water Quality Information Services unit. The highest priority epics are:

- ICIS Flow issue deriving from too many statistical base types for winery permits
- ICIS Industrial Category codes and ICIS component type codes for new permits that have nulls
- Date limits on when a submittal is available
- PARIS data model changes for permit focus instead of facility focus to match ICIS models
- Enforcement violation changes and mapping to ICIS flow
- ICIS flow for general permit renewal applications
- ICIS flow for winery permit parameters
- ICIS flow for permits with incorrect permit types
- ICIS flow for facilities with alternate names
- DMR dataflow issue that prevents data deletion
- Updates to major designations in PARIS and ICIS
- PARIS validation for ICIS flow
- ICIS flow fields visible on reference table UI
- ICIS SNC 2023 Q3 Evaluation (ongoing work for following quarters)

- ICIS Once per defined event bulk violation resolution
- WQWebPortal usability improvements

The back log of work for ICIS addresses specifically identified errors disrupting the flow of data to the EPA, and mismatches in validation and data types that cause an SNC calculation. PARIS work items are concerned with user interface improvements to address accessibility and to reduce errors in data submissions. CROMERR enhancements are built around improving the reporting process to facilitate the timely uploading and signing of accurate data. These enhancements enable permit holders to meet their reporting requirements for Washington State and the Federal Government.

Governance and management. What governance processes will support this project? Examples of governance processes include appropriately placed executive sponsor, representative steering committee, resourced vendor/contract management, change control, and incorporating stakeholder feedback into decision making processes. Provide examples of how your proposed budget includes adequate funding and planning for governance processes, if applicable.

The project will follow agile project management best practices per the Project Management Body of Knowledge (PMBOK). The WQ IT Unit Scrum Master will manage the engagement, with oversight by the Deputy Director of the Water Quality Program, and by the WQ Permit and Technical Solutions Section Manager. The PARIS Business Lead will manage the backlog in the role of Product Owner. The Water Quality IT unit has a track record of successful agile implementation and of executing work on time, on budget, and in scope. The team uses a four-week long sprint, and has completed over 70 successful sprints. The project will be run within the existing agile framework that the team uses for all WQ IT development projects.

Planning and readiness. Describe how your agency will resource the implementation of this investment request. Will in-house resources be used, or will resources be acquired? How has organizational change management been factored into planning and approach? Does the investment require a project management approach to be used? Describe whether project and organizational change management resources are included in this request or will be provided by in-kind resources. Describe whether the proposed budget includes costs associated with independent quality assurance.

The project will use an established agile project methodology. The Water Quality IT Unit will have oversight of this project, and will integrate it into its normal sprint process. The team has prior experience of integrating contract developers into their agile process. Ecology has a well-established Project Management Office, and the PMBOK artifacts have been incorporated into agency templates. Though the engagement will be agile in nature, a project management plan that includes a charter, a communications plan, and organizational change management plan (using the ADKAR model) will be developed. Progress will be measured by the incremental delivery of functionality up to and beyond the delivery of the minimal viable product. Monthly sprint meetings will inform business requirements and managed prioritized work items. Quality assurance will be managed within the existing agile framework, and by the monthly delivery of incremental functionality improvements.

Technical alignment

Strategic and technical alignment. Using specific examples, describe how this investment aligns with strategic and technical elements of the [Enterprise Technology Strategic Plan](#). Examples of strategic principles that tie back to tenets of the strategic plan include, but are not limited to,

advance digital government, support use of common and shared technologies across agencies, improve the Washington customer experience across digital channels, strengthen privacy capacity in state and local government. Examples of technical principles that tie back to tenets of the strategic plan include but are not limited to; adoption of modern cloud-hosted technologies, provide proactive cybersecurity capabilities, reduce technical debt, expand integration between systems.

This request addresses Goal #1 Efficient and Effective Government by improving customer experience by ensuring accurate data is replicated to the EPA. This request will also improve efficiencies by improving stakeholder user experience. Barriers to access will be reduced through an updated and streamlined user experience with improved self help options for account maintenance, and support for electronic signature authorization forms to make account setup and submission of discharge monitoring reports easier. The ICIS dataflow work serves to expand integration between systems, in this case the Ecology PARIS database, and the EPA ICIS database. Refactoring of the Portal and Public PARIS user interfaces to address accessibility needs will be performed using a mobile first approach that will enhance public accessibility by allowing for users to mobile devices to better interact with Water Quality systems. The solution aligns with “solutions promoting accessibility” and aligns with the other tenants of the Enterprise Technology Strategic Plan.

This request addresses Goal #2 Accountable IT Management because the additional IT resources dedicated to enhancing and maintaining the WQ systems and interfaces will reduce and prevent technical debt. The proposed rewrite of CROMERR will leverage EPA functionality, replacing the legacy custom code the current solution is built on. Using a hybrid approach is better aligned with statewide architecture and will reduce technical debt by using EPA hosted services for identity management and electronic signature form support.

This request supports Goal #3 by adding additional depth to the development team through Ecology’s diverse hiring practices. The streamlining and improvement of the current systems will support remote work for water quality staff by reducing paperwork intensive processes, and further improving electronic workflow and reporting.

This request addresses Goal #4 by leveraging modern, common, shared technologies for the improvement of PARIS, Portal, CROMERR, and the ICIS dataflow.

This request supports Goal #5 as the rewrite of CROMERR will update account security and identity management capabilities to meet updated security and signature chain of custody requirements for self-reported and signed discharge monitoring reports.

Reuse and interoperability. Does the proposed solution support interoperability and/or interfaces of existing systems within the state? Does this proposal reuse an existing solution or existing components of a solution already in use elsewhere in the state? If the solution is a new proposal, will it allow for such principles in the future? Provide specific examples.

This request uses existing database applications (PARIS, CROMERR, ICIS) and improves interactions between them. This investment will make improvements to these systems thereby leveraging already existing digital platforms to expand functionality. PARIS, CROMERR, Portal, and ICIS are existing systems. CROMERR is a custom application, and the rewrite supported by this request will use a hybrid approach where a custom user interface will use EPA supported functions, replacing current custom code. Modifications to PARIS and ICIS will be made to the existing

systems and will address data and schema mismatches that are impeding data flow between the two systems.

Business alignment

Business driven technology. What are the business problems to be addressed by the proposed investment? These business problems should provide the basis for the outcome discussion below. Describe how end users (internal and external) will be involved in governance and implementation activities.

The business problem addressed is the need to ensure that permit data is accurately captured and replicated to the EPA via ICIS. This request provides the needed resources to perform ongoing maintenance of WQ permit systems and the interface with ICIS, the agency's system to replicated data to the EPA. Water Quality permittees are required to submit monitoring data as a condition of their permits. The process requires logging into Ecology systems using a SAW account, then electronically signing data with a CROMERR account. The systems provided need to be as friction free as possible to support permittees submission of data. Impediments in data submission have a ripple effect where delayed data generates a violation in the state database and triggers a significant noncompliance in federal systems. These violations can have significant impact on a permittees ability to conduct business. Issues from delayed or incorrect submissions are time consuming to resolve. Improved systems facilitate the timely submission of accurate data, reducing the need for rework, and improving permittee satisfaction.

There are four different systems that interact when permittees upload data to PARIS

1. PARIS Portal - permit holders use the PARIS Portal to submit required monitoring data, application and renewal documents, reports, and other information.
2. Cross Media Electronic Reporting Rule (CROMERR) - application stores electronically signed data and replicates it to the two PARIS data systems below.
3. Internal PARIS - for internal use by Ecology staff with full author and editing ability. Staff use this permit system to record permit information, store records, and communications.
4. Public PARIS - public-facing read-only access that contains permit information such as application documents, inspections, discharge monitoring data, and enforcement actions.
5. ICIS Data Flow - sends information from Internal PARIS to EPA for reporting by its external facing Enforcement and Compliance History Online application (ECHO).

To help permit holders comply with their reporting requirements, the submission process needs to be easy to use and problem-free.

Measurable business outcome. Describe and quantify the specific performance outcomes you expect from this funding request. Provide specific examples of business outcomes in use within your agency, and how those outcomes will be improved because of this technology investment. Does the response align with the measurable business outcomes identified in the Strategic and Performance Outcomes in [Chapter 2](#) of the 2023-25 budget instructions? What outcomes and results, either positive or negative will occur? Identify all Lean initiatives and their expected outcomes. Include incremental performance metrics.

The performance outcome of this request will be more efficient and reliable permit systems and interfaces that ensure that permits are efficiently tracked and are reported to the EPA in a timely manner. This request will also allow Ecology to meet upcoming EPA e-reporting requirements. This request will provide dedicated analysis and dataflow matching between PARIS and ICIS, and will provide the application development capacity to address the issues identified in a timely manner. The request will support the creation of system architecture documentation, data dictionaries, schema mapping, and business rule clarification that influence the ICIS dataflow. The request will also support closer consultation with the EPA, and detailed analysis of EPA error logs to identify the root cause of the significant noncompliance in Water Quality systems, and if it is a true error, or an artifact of mismatched data. Funding the application developer position will enable the rewrite of CROMERR and Portal user interfaces to improve the process for permittees to submit data and manage their accounts. Improved digital workflow and the replacement of paper processes will streamline discharge monitoring reporting and reduce support calls created by a slow, paper-based identity verification process.

Accessibility, modernization, process improvement, and mobile support for the systems are key areas of improvement needed for permit holders and Ecology to meet federal and state reporting requirements. Fixing and modernizing the integrated permit systems within PARIS will require:

- Rewriting the CROMERR application to use EPA web services, which is more robust, durable, and easier to maintain. Several states are now using EPA web services for their CROMERR requirements and are better able to securely meet EPA data reporting requirements.

The rewrite will improve:

- Accessibility and security by providing a modern and intuitive interface for permit holders.
- Timeliness of water quality discharge monitoring reports.
- Usability by allowing users to reset their own accounts and passwords. This will reduce interruptions to Ecology IT staff so they can focus on higher priority work, like assisting permit holders with reporting submission issues.
- Updating the PARIS systems to address inefficiencies and allow for mobile data collection and query expansion and correct the data flow issues from our system to EPA's. This work will require consolidating redundant data tables and rationalizing SQL scripts and data replication.

Decision package urgency

During the evaluation and ranking process, the OCIO will take into consideration, the urgency of the decision package request. Describe the urgency of implementing the technology investment in this cycle and the impacts to business if it does not proceed as planned.

If this proposal is not approved, Ecology will need to continue to rely on existing IT staff to address database critical fixes, maintenances as well as improvements. Right now, critical fixes take most of their time, which limits the amount of maintenance and improvements. In addition, Ecology will continue to spend significant amount of time reconciling information with ICIS and designing fixes in order to

maintain data flow to the EPA. Lastly, the drain on existing IT staff means all water quality systems suffer, including other public-facing systems.

Not funding this request will also result in a gap in the tracking and implementation of EPA changes to ICIS. In order to ensure Ecology can meet the EPA e-reporting requirements and to address new permit types we need continuity in our analysis and development.

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Department of Ecology
2023-25 First Supplemental Budget Session
Policy Level - PH - Fed Authority for BIL/IRA Grants

Agency Recommendation Summary

Passage of both the Bipartisan Infrastructure Law and Inflation Reduction Act have substantially increased the amount of federal funding being passed through to state, local, and Tribal governments across the country to address environmental and public health priorities, including water infrastructure improvements, legacy pollution cleanup, and tackling the climate crisis. As these funding opportunities have become available, Ecology, like other state agencies, Tribes, and local governments across Washington have applied for and been awarded funds to support environmental and public health work and projects being done across the state. Ecology is requesting the additional federal spending authority needed to leverage nine new funding opportunities that have been awarded or applied for, as of August 1, 2023. This request directly implements recommended priorities and actions in the 2021 Governor's salmon strategy update, and is related to Puget Sound Action Agenda Implementation. (General Fund-Federal)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	12.6	12.6	12.6	16.6	17.2	16.9
Operating Expenditures						
Fund 001 - 2	\$13,539	\$13,589	\$27,128	\$21,210	\$21,260	\$42,470
Total Expenditures	\$13,539	\$13,589	\$27,128	\$21,210	\$21,260	\$42,470
Revenue						
001 - 0366	\$13,539	\$13,589	\$27,128	\$21,210	\$21,260	\$42,470
Total Revenue	\$13,539	\$13,589	\$27,128	\$21,210	\$21,260	\$42,470

Decision Package Description

Background:

Since 2021, Congress has passed two pieces of legislation that have substantially increased the amount of federal funding being passed through to state, local, and Tribal governments across the country to address environmental and public health priorities, including water infrastructure improvements, legacy pollution cleanup, and tackling the climate crisis.

Bipartisan Infrastructure Law

The first of these, the Bipartisan Infrastructure Law (BIL), was signed into law on November 15, 2021. The BIL represents one of the single largest investment packages ever to modernize the country's infrastructure, increase equity, help fight climate change, strengthen the nation's supply chain, and create jobs. BIL funding is being made available to the state and local level through many different federal agencies, including the U.S. Environmental Protection Agency (EPA) and National Oceanic and Atmospheric Administration (NOAA).

Through EPA, the BIL will provide over \$60 billion in funding between federal fiscal years 2022 and 2026 to advance public health and safety by improving the nation's drinking water, wastewater, and stormwater infrastructure, cleaning up decade's old pollution, investing in healthier air, and enhancing the country's climate resilience. Of that \$60 billion investment:

- More than \$50 billion will be for clean water and drinking water projects, along with other water protection programs. With these funds, EPA will make progress on replacing the 6 to 10 million lead service lines still in the ground across the country, address the threat of per- and polyfluoroalkyl substances (PFAS) pollution facing communities, and broaden efforts to protect critical water bodies that are important to communities and the economy.
- More than \$5 billion will be for cleaning up long-standing pollution at Superfund and Brownfields sites, and for improving waste management and recycling systems managed under the Resource Conservation and Recovery Act (RCRA).
- \$5 billion will be for decarbonizing the nation's school bus fleet, improving air quality for more than 25 million children who ride the bus to school each day.
- \$100 million will be for the Pollution Prevention Program to increase access to safer and more sustainable products and services.

Through NOAA, the BIL will provide nearly \$3 billion over the five-year period to take action in the areas of habitat restoration, coastal resilience, and weather forecasting infrastructure. Funding available through NOAA will address climate risks and key impact areas, including floods, fire, drought, and extreme heat, and will build resilience in marine and coastal regions. These targeted investments will be scalable and responsive to societal needs for climate information and support and to leverage partnerships. A significant portion of the funds will be issued through competitive grants to organizations to do on-the-groundwork around the country. The funding that will be available is organized into three main initiatives:

- Climate Data and Services: \$904 million – Supporting efforts to address the climate crisis by getting critical information in the hands of decision-makers.
- Climate-Ready Coasts: \$1.47 billion – Helping coastal communities build the future they want to see. Investing in high-impact natural infrastructure projects that build coastal resilience, create jobs, store carbon, and restore habitat.
- Fisheries and Protected Resources: \$592 million – Advancing complementary efforts to support environmental stewardship and promote community economic development.

Inflation Reduction Act (IRA)

The IRA was signed into law on August 16, 2022, and marked the most significant action that Congress has taken on clean energy and climate change in the nation's history. The \$370 billion in IRA investments aim to lower energy costs for families and small businesses, accelerate private investment in clean energy solutions in every sector of the economy and every corner of the country, strengthen supply chains for everything from critical minerals to efficient electric appliances, and create good-paying jobs and new economic opportunities for workers.

As with the BIL, IRA funding is being made available to the state and local level through multiple federal agencies, including, again, EPA and NOAA. The IRA is providing over \$41 billion through EPA to reduce emissions, build a clean economy, lower energy costs for households and businesses, create good-paying jobs, and advance environmental justice across the country. The majority of this funding will be made available to the states, Tribes, and local governments via grants to reduce pollution in neighborhoods where people live, work, play, and go to school; accelerating environmental justice efforts in communities overburdened by pollution for far too long; and tackling our biggest climate challenges while creating jobs and delivering energy security. Funding available will focus on the following areas:

- Tackling Climate Pollution: \$7.1 billion
- Advancing Environmental Justice: \$34.1 billion
- Delivering Cleaner Air: \$270.5 million

Through NOAA, the IRA will provide over \$4.8 billion to help communities prepare, adapt, and build resilience to weather and climate events; improve supercomputing capacity and research on weather, oceans, and climate; strengthen NOAA's hurricane hunter aircraft and fleet; and replace aging NOAA facilities. As with its BIL funding, a significant portion of NOAA's IRA funds will be issued through competitive grants to organizations to do on-the-groundwork around the country. This funding is organized under two main initiatives:

- Climate-Ready Coasts and Communities: \$2.6 billion – Supporting coastal communities' resilience to changing climate conditions through funding and technical assistance for capacity building, transformational adaptation, and resilience planning, conserving, and protecting fisheries and other critical resources, creating quality climate-ready jobs, and improving delivery of climate services to communities and businesses.
- Climate Data and Services - \$200 million – Improving weather and climate data and services through regional climate data and information and industry proving grounds.

NOAA will also invest IRA funding internally in climate resilient facilities, an additional hurricane hunter aircraft, mapping and charting ships, enhanced supercomputing capacity, sanctuary designations, and increased staffing for fisheries and other permitting activities.

Opportunity:

As different funding opportunities available through both the BIL and IRA have formalized since 2021, Ecology, like other state agencies, Tribes, and local governments across Washington have applied for, and been awarded funds to further the goals and objectives described above. However, the timing for when these different opportunities have, and continue to materialize, has been different in each case, and often hasn't aligned well with the state's budget legislative timelines.

For BIL funding applied for or awarded prior to the Governor's 2023-25 budget proposals last December, Ecology was able to secure additional federal spending authority in the enacted biennial budgets to support these federal investments. In total, the 2023-25 operating and capital budgets provide \$105.8 million in additional federal spending authority to support BIL funding that has been awarded for clean water infrastructure projects, Brownfields redevelopment, increased coastal zone management capacity, and Padilla Bay Conservation Area improvements and land acquisitions.

However, since the Governor's budget proposals last winter, Ecology has applied for and/or been selected to receive additional federal funding through the BIL and IRA, and we need additional federal spending authority, beginning in 2023-25, to leverage these new investments. The requested authority will support environmental and public health priorities across the state through both pass-through awards to local partners and work done by Ecology and other state agencies. Below are details on each of the federal grants supported by this budget request.

Puget Sound Climate Resilient Riparian Systems Lead	
Source: BIL	Federal Agency: EPA
Anticipated Total Award: \$30 million over 6 years	2023-25 Authority Need: \$20.6 million, 5.6 FTEs
Funding Use: Staff: 6% Pass-thru: 94%	Match: 50% cost-share (\$30 million over 6 years) – Ecology will use Clean Water State Revolving Fund (SRF) loan repayments (fund 727-1) to meet the requirement; no additional state funding is needed.
<p>Brief Description: On May 2, 2023, Ecology was notified by EPA that it was selected as the Puget Sound Climate Resilient Riparian Systems Lead. This funding opportunity is focused on working with local programs and landowners to voluntarily protect and restore Puget Sound riparian habitat in priority watersheds, supporting salmon recovery and resilience to climate change. Funding is intended to go towards direct implementation of riparian conservation and climate resiliency goals, as well as other Vital Sign recovery objectives, as described in the Puget Sound Action Agenda (particularly Strategy 4 – Riparian Areas, and Strategy 20 – Climate Adaptation and Resilience as well as relevant Implementation Strategies). Ecology will manage a sub-award program for supporting riparian conservation efforts, focused on three objectives:</p> <ul style="list-style-type: none"> • Make and Manage Subawards. Develop and carry out a system for making subawards to authorized entities. • Innovation and Partner Engagement. Develop and implement innovative models and mechanisms for engaging with partners to achieving sustainable results. • Manage the Cooperative Agreement. Adaptively manage the Climate Resilient Riparian Systems Lead cooperative agreement with EPA. 	
<p>Additional Information:</p> <ul style="list-style-type: none"> • https://www.epa.gov/puget-sound/funding-availability-puget-sound-action-agenda-climate-resilient-riparian-systems-lead • https://www.grants.gov/web/grants/view-opportunity.html?oppId=344933 	

Columbia River Basin Toxic Reduction Lead	
Source: BIL	Federal Agency: EPA
Anticipated Total Award: \$6.9 million over 6 years	2023-25 Authority Need: \$973,000, 2.9 FTEs
Funding Use: Staff: 31% Pass-through: 69%	Match: 25% cost-share (\$2.3 million over 6 years) – Ecology will use existing state funding that supports a water quality implementation plan for PCBs and other emerging contaminants in the Spokane River, as well as required cost-share provided by sub-awardees to meet the requirement; no additional state funding is needed.
<p>Brief Description: On May 22, 2023, Ecology was notified by EPA that it had been selected as the Columbia River Basin Toxics Reduction Lead. This funding will be used to support the development of a regional strategic plan specific to the Spokane River, as well as on-the-ground implementation activities for “shovel-ready” projects identified concurrent to the development of the plan. Implementation activities will be funded through the issuance of subawards for projects that eliminate or reduce toxics in the environment, improve water quality, protect the environment, clean-up eligible contaminated sites, or increase community knowledge and engagement. Focusing on these implementation activities will result in ongoing improvements to water quality in the Columbia River Basin.</p>	
<p>Additional Information:</p> <p>https://www.grants.gov/web/grants/view-opportunity.html?oppId=344820</p>	

Clean Water Act 604(b) Water Quality Management Planning Grant	
Source: BIL	Federal Agency: EPA
Anticipated Total Award: \$403,000/year for 4 years	2023-25 Authority Need: \$806,000, 3.3 FTEs
Funding Use: Staff: 100% Pass-through: 0%	Match: None
<p>Brief Description: Section 604(b) of the Clean Water Act provides approximately one percent of Clean Water State Revolving Fund allotments (or \$100,000 if greater) to support State water quality planning activities under 205(j) and 303E of the Act. The BIL will infuse approximately \$127 million of additional noncompetitive grant funding into states’ and territories’ Water Quality Management Planning programs between federal fiscal years 2022-2026. These funds will be added to state’s base 604b planning grants each year, and, based on the BIL amounts provided for federal fiscal year 2022, and feedback from EPA, Ecology anticipates receiving \$403,000 in increased funding per year through state fiscal year 2027. This increase in funding will be used to enhance the development of cost effective and locally acceptable solutions to water quality problems through the planning activities outlined in 205(j) and 303E of the Act. Funding will support long-term outcomes such as protection and restoration of Washington’s waters, protected and restored ecosystems, and increased environmentally motivated practices.</p>	
<p>Additional Information:</p> <p>https://www.epa.gov/system/files/documents/2022-06/Final_604%28b%29%20Water%20Quality%20Managment%20Planning%20Grants%20Interim%20Implementation%20Guidelines%20signed%206.29.2022.pdf</p>	

National Fish & Wildlife Foundation (NFWF) National Coastal Resilience Fund (NCRF)	
Source: BIL	Federal Agency: NOAA
Anticipated Total Award: \$850,000 over 4 years	2023-25 Authority Need: \$850,000, 0.0 FTE
Funding Use: Staff: 0% Pass-through: 100%	Match: None
Brief Description: Funding will support planning partnerships between state agencies, organizations, and local communities to identify locations and scope project concepts that advance state and federal restoration and resilience priorities. This planning project is designed to inform agency capital budget decision-making, engineering design guidelines, and pipeline of resilience projects. This project will increase integration, strategic investments, equity, and agency partnerships across climate, transportation, and habitat-focused efforts to identify, plan, and implement nature-based solutions that will benefit communities, fish, and wildlife.	
Additional Information: https://www.grants.gov/web/grants/view-opportunity.html?oppId=348810	

Pollution Prevention Grant: Environmental Justice Thru Safer & More Sustainable Products	
Source: BIL	Federal Agency: EPA
Anticipated Total Award: \$794,000 over 4 years	2023-25 Authority Need: \$794,000, 0.4 FTE
Funding Use: Staff: 15% Pass-through: 85%	Match: None
Brief Description: Funding will be passed through to businesses using Ecology's Hazardous Waste and Toxics Reduction Program (https://ecology.wa.gov/regulations-permits/guidance-technical-assistance/pollution-prevention-services). This funding will provide technical assistance to businesses by encouraging the supply, demand, and/or use of safer, more sustainable products. The plan includes direct engagement with community members through community-based participation methods; improving access to information and tools for businesses; and increasing chemical transparency through sustainably certified products and chemical hazard assessments. Encouraging safer alternatives in overburdened communities will lead to positive outcomes for human health benefits and the environment.	
Additional Information: <ul style="list-style-type: none"> https://www.grants.gov/web/grants/view-opportunity.html?oppId=346670 	

Pollution Prevention Grant: Environmental Justice in Communities	
Source: BIL	Federal Agency: EPA
Anticipated Total Award: \$743,000 over 4 years	2023-25 Authority Need: \$743,000, 0.4 FTE
Funding Use: Staff: 15% Pass-through: 85%	Match: None
Brief Description: Funding will provide technical assistance to businesses through Ecology's Hazardous Waste and Toxics Reduction Program (https://ecology.wa.gov/regulations-permits/guidance-technical-assistance/pollution-prevention-services) to assess, prevent, and reduce the risks associated with unsafe exposures to hazardous chemicals in overburdened communities. Ecology will partner with community-based organizations to co-design a technical assistance campaign that learns from and responds to the needs of community members. These workshops, listening sessions, and direct one-on-one interactions, will create an environment where businesses and community-based organizations can share resources and educational materials to encourage the widespread adoption of pollution prevention practices in overburdened communities.	
Additional Information: https://www.grants.gov/web/grants/view-opportunity.html?oppId=346669	

Solid Waste Infrastructure for Recycling (SWIFR) Grant Program	
Source: BIL	Federal Agency: EPA
Anticipated Total Award: \$391,000 over 4 years	2023-25 Authority Need \$391,000, 0.0 FTE
Funding: Staff: 0% Pass-through: 100%	Match: None
Brief Description: Ecology will contract with a consultant to continue providing the circular economy accelerator to business and community projects focused on waste prevention and reduction, recycling, repair, and organics. The accelerator offers a series of workshops in business and technical planning support, networking opportunities, and pitch development. The culminating pitch showcase puts these business and community projects in front of potential partners and investors.	
Additional Information: https://www.epa.gov/infrastructure/solid-waste-infrastructure-recycling-grants-states-and-territories	

Consumer Recycling Education and Outreach (REO) Grant Program	
Source: BIL	Federal Agency: EPA
Anticipated Total Award: \$1.5 million over 4 years	2023-25 Authority Need: \$1.5 million, 0.0 FTE
Funding Use: Staff: 0% Pass-through: 100%	Match: None
Brief Description: Grant funds will be used to hire a contractor to develop a multifaceted statewide education and contamination reduction campaign. The campaign will use community based social marketing principles to promote behavior change. The contractor will create a suite of outreach materials including videos, audio, and images to run across all media platforms and would make these materials available through an online toolkit. Ecology will also hire a contractor to conduct cart tagging and door-to-door multifamily outreach in communities throughout the state. With this grant, Ecology will be positioned to provide clear, consistent messaging about recycling to residents across Washington State for years to come.	
Additional Information: https://www.grants.gov/web/grants/view-opportunity.html?opId=344491	

Clean Air Act Grants under the Inflation Reduction Act	
Source: IRA	Federal Agency: EPA
Anticipated Total Award: \$476,000 over 4 years	2023-25 Authority Need: \$476,000 0.0 FTE
Funding Use: Staff: 0% Pass-through: 100%	Match: None
Brief Description: Funding will be used to support implementation of five different projects throughout the state to enhance air monitoring and improve tracking of regulatory sources. This monitoring approach will achieve and maintain health-based air pollution standards to reduce the direct emissions of particulate matter and other criteria air pollution from stationary and mobile sources that are protective of human health. Successful completion of these projects will result in enhanced monitoring, scientific research, regulation, and tracking of sources of PM2.5 and its component species, trace gas N-core monitoring, and the understanding of air pollution within key environmental justice communities.	
Additional Information: https://www.epa.gov/grants/clean-air-act-grants-under-inflation-reduction-act	

Please note, these federal grants do not create a new policy direction for Ecology or the state, and acceptance of these federal funds does not commit the state to future expenditures in a later period.

Ecology will provide updates to the Office of Financial Management (OFM) and legislative staff on any additional grants received or applied for through the BIL or IRA by November 2023 and January 2024.

Impacts on Population Served:

This request provides the federal spending authority needed to leverage new funding opportunities coming to Washington State through the BIL and IRA. Communities, Tribes, residents, visitors, and organizations across Washington will benefit from Ecology's ability to utilize these federal dollars. Based on current implementation plans for each of the federal awards supported by this request, 89 percent of the funding received over the lifecycle of each grant will be passed through to local communities to support environmental and health work across the state.

Alternatives Explored:

The only alternative to requesting additional federal spending authority is to request it through the state's Unanticipated Receipt process. However, that is not the preferred approach, because information is available to support a formal budget request for the spending authority from the Legislature. This approach is the most appropriate, as it allows Ecology to keep pace with the increases in federal funding through the BIL and IRA, while recognizing the Legislature's role in authorizing the associated spending.

Consequences of Not Funding This Request:

If this request is not funded, Ecology would not have the spending authority needed to support millions of additional federal dollars available through the BIL and IRA to support priority environmental and public health work and projects across the state.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

Does this request expand or alter a current program or service?

This request expands several agency activities on a limited-time basis by providing the federal spending authority needed to leverage new funding coming to Washington State through the BIL and IRA. Activities affected include:

- A006 – Clean Up Polluted Waters
- A007 – Conduct Environmental Studies for Pollution Source Identification and Control
- A008 – Control Stormwater Pollution
- A009 – Eliminate Waste and Promote Material Reuse
- A025 – Measure Air Pollution Levels and Emissions
- A026 – Measure Contaminants in the Environment by Performing Laboratory Analyses
- A032 – Prevent Point Source Water Pollution
- A036 – Protect and Manage Shorelines in Partnership with Local Governments
- A038 – Protect, Restore and Manage Wetlands

- A043 – Provide Water Quality Financial Assistance
- A049 – Reduce Nonpoint Source Water Pollution
- A052 – Reduce the Generation of Hazardous Waste and the Use of Toxic Substances through Technical Assistance

Detailed Assumptions and Calculations:

Between fiscal years 2024 and 2029, Ecology requires additional federal expenditure and FTE authority to support new and/or increased funding awards coming through the BIL and IRA. The requested funding will support nine new funding opportunities that have been awarded or applied for as of August 1, 2023. The amounts requested per year are to ensure Ecology has sufficient spending authority each biennium over the lifecycle of each grant, as spending patterns will differ for each award.

Expenditure authority requested will be used for both project staff and pass-through funding to local entities to support environmental and health work done across the state. Based on current implementation plans for each of the federal awards supported by this request, 89 percent of the funding received over the lifecycle of each grant is planned to be passed through. However, the specific type of agreement used to facilitate the pass-through will differ based on the specific award. For the purposes of this Decision Package, all funding that is planned to be passed through is shown in object N.

Please note: The percentage of funding identified for staff vs. pass-through agreements is based the best information available at this time. Actual spending may differ as implementation proceeds, changes to spending plans are negotiated and approved by our federal partners, and additional information is learned through the process.

As noted above, two of the federal grants supported by this Decision Package require state match, but Ecology does not need additional state funding to meet those requirements:

- **Puget Sound Climate Resilient Riparian Systems Lead** – Ecology will use Clean Water State Revolving Fund (SRF) loan repayments (fund 727-1) to meet the match requirements.
- **Columbia River Basin Toxic Reduction Lead** – Ecology will use existing state funding that supports a water quality implementation plan for polychlorinated biphenyls (PCBs) and other emerging contaminants in the Spokane River, as well as required cost-share provided by sub-awardees to meet the match requirement.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages	1,017,463	1,017,463	1,313,693	1,360,312	1,081,656	761,107
B	Employee Benefits	366,287	366,287	472,930	489,713	389,396	273,999
E	Goods and Services	57,307	57,307	75,591	78,203	59,553	42,314
G	Travel	17,147	17,147	22,618	23,399	17,818	12,661
J	Capital Outlays	11,310	11,310	14,919	15,434	11,754	8,352
N	Grants, Benefits, and Client Services	11,657,121	11,707,121	18,777,569	18,741,365	16,455,946	17,047,602
T	Intra-Agency Reimbursements	412,358	412,358	532,414	551,309	438,375	308,463
Total Objects		13,538,993	13,588,993	21,209,734	21,259,735	18,454,498	18,454,498

Staffing

Job Class	Salary	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
ENVIRONMENTAL PLANNER 4	95,650	2.50	2.50	2.50	2.50	1.50	1.50
COMM OUTRCH & ENVIRO ED SPEC 2	62,884	0.96	0.96	0.96	0.96		
KING CO - COMM OUTRCH & ENVIRO ED SPEC 2	66,028	1.00	1.00	1.00	1.00		
ENVIRONMENTAL PLANNER 5	105,612	1.80	1.80	1.80	1.80	1.80	1.50
ENVIRONMENTAL SPEC 3	74,489			1.00	1.00	1.00	1.00
TOXICOLOGIST 3	110,946	1.00	1.00	1.00	1.00	1.00	1.00
NATURAL RESOURCE SCIENTIST 3	88,798			1.00	1.00	1.00	1.00
ENVIRONMENTAL SPEC 4	86,324	1.17	1.17	2.17	2.17	2.00	1.00
CHEMIST 3	93,238	0.05	0.05	0.55	1.05	1.00	1.00
ENVIRONMENTAL PLANNER 3	86,716	0.25	0.25	0.25	0.25		
CHEMIST 4	108,152	0.10	0.10	0.10	0.10		
ENVIRONMENTAL ENGINEER 5	119,465	0.04	0.04	0.04	0.04		
ENVIRONMENTAL SPEC 5	95,387	1.00	1.00	1.00	1.00	1.00	
IT APP DEVELOPMENT-JOURNEY	107,154	1.00	1.00	1.00	1.00	1.00	
ADMINISTRATIVE ASSISTANT 3	54,194	0.10	0.10	0.10	0.10	0.10	0.10
FISCAL ANALYST 2		1.10	1.10	1.45	1.50	1.14	0.81
IT APP DEVELOPMENT-JOURNEY		0.55	0.55	0.72	0.75	0.57	0.41
Total FTEs		12.62	12.62	16.64	17.22	13.11	9.32

Explanation of costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Goods and Services are the agency average of \$5,224 per direct program FTE.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Grants include the appropriation authority needed to cover potential pass-through spending each fiscal year: FY24: \$ 11,657,121, FY25: \$11,707,121, FY26: \$ 18,777,569, FY27: \$18,741,365, FY28: \$16,455,946, FY29: 17,047,602

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits and is shown as object T. 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.

Strategic and Performance Outcomes

Strategic Framework:

This request is essential to achieving all of Ecology's goals because of the multiple projects that will be leveraged through the requested federal appropriation authority.

Goal 1: Support and engage our communities, customers, and employees because of the partnerships created with landowners, other agencies, communities, Tribes, and organizations through the grant programs.

Goal 2: Reduce and prepare for climate impacts because enhancing air monitoring and improving tracking of regulatory sources, will assist in achieving and maintaining health-based air pollution standards to reduce the direct emission of particulate matter and other criteria air pollution from stationary and mobile sources that are protective of human health.

Goal 3: Prevent and reduce toxic threats and pollution because the environmental justice grants will fund technical assistance for businesses who will educate and collaborate with community members to encourage safer alternatives and reduce access to harmful products.

Goal 4: Protect and manage our state's waters because the Clean Water Act 604(b) Water Quality Management Planning Grant grant's long-term goals are to protect and restore ground and surface waters for safe drinking, improve water quality on a watershed basis, and improve coastal and ocean water.

This request is also essential to achieving the Governor's Results Washington Goal:3 Sustainable Energy and a Clean Environment and Goal 4: Healthy and Safe Communities because these grants will fund projects that protect and restore the natural environment and focus on reducing impacts to overburdened communities.

This request also directly implements the following recommended priorities and action areas in the 2021 Governor's salmon strategy update.

- Strategic Priority:
 - 1. Protect and restore vital salmon habitat.
 - 2. Invest in clean water infrastructure for salmon and people.
 - 4. Build climate resiliency.
- Action Areas:
 - 1b. Riparian management.
 - 2a. Toxics reduction.
 - 4d. Technical capacity for climate resilience.

Performance Outcomes:

The outcome of this request will be that Ecology has the federal spending authority needed to leverage new funding opportunities coming to Washington State through the BIL and IRA. Communities, residents, Tribes, visitors, and organizations across Washington will benefit from Ecology's ability to use these federal dollars. Based on current implementation plans for each of the federal grants supported by this request, 89 percent of the funding received over the lifecycle of each grant will be passed through to local communities to support environmental and health work across the state.

Equity Impacts

Community outreach and engagement:

This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA, so there are no overburdened communities or vulnerable populations affected by the request. Therefore, Ecology has not conducted community outreach and engagement with any overburdened communities or vulnerable populations on this request specifically. However, many of the federal funding opportunities supported by this request have included outreach and engagement activities with communities and groups as application materials for each award were developed and submitted.

And moving forward, as the different federal funding opportunities awarded through the BIL and IRA are implemented, many, like the Safer Products and Environmental Justice in Communities Grants, will be implemented in a highly collaborative manner. For these grants in particular, implementation will promote community participation in a supportive atmosphere that centers community voices and experiences. The CBO's will help facilitate listening sessions with community members and businesses and will be directly involved in disseminating and promoting the final toolkits and community members would be compensated for their time. Ecology will work to ensure any relevant activities and materials developed are accessible to the intended audience. This includes assess language access needs on an on-going basis and provide translated information and interpretation services as appropriate.

Disproportional Impact Considerations:

This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA. Ecology does not anticipate any disproportionate impacts regarding this request, nor with the new federal funding opportunities through the BIL and IRA that it supports.

Target Populations or Communities:

This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA. The request itself does not directly affect any specific overburdened communities or vulnerable populations. However, the federal funding opportunities supported by this request may have an impact. For example, there are two grants supported by this request that specifically work to reduce environmental impacts to overburdened communities and ensure those communities have access to resources that improve environmental health factors.

The target population of The Environmental Justice in Communities Grant are employees working with or near hazardous substances who often experience more frequent and higher intensity exposures. People working in business sectors like the auto, cleaning, and landscape industry are disproportionately exposed to high levels of hazardous chemicals and there is existing evidence suggesting that Black, Indigenous, People of Color (BIPOC) workers are overrepresented in some high hazard industries and may suffer higher levels of negative health outcomes (e.g., work-related injuries or lung cancer).

The Safer, More Sustainable Products Grant focuses on delivering technical assistance by engaging with Hispanic/Latino community members and twenty to forty convenience stores located in central Washington to encourage the supply, demand, and/or use of safer products in the marketplace by creating an effective marketing campaign and developing on-site technical assistance. Hispanic/Latino communities in central Washington experience an increased risk of exposure to toxic chemicals in products due to various socioeconomic factors that limit their access to and understanding of information about safer products. This project aims to address part of this problem by providing communities with technical support on safer cleaning products to build on existing community strengths and resources, commit to co-learning, and capacity building focusing on meeting their needs in culturally and linguistically relevant ways.

Other Collateral Connections

Puget Sound Recovery:

This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA. The request itself does not directly impact Puget Sound recovery. However, several of the federal funding opportunities supported by the request do have direct connections to the Puget Sound Action Agenda, most notably the Puget Sound Climate Resilient Riparian Systems Lead Grant. This grant supports Puget Sound Action Agenda implementation through the following Vital Signs, Strategies, Desired Outcomes, and Actions included in the 2022-2026 Puget Sound Action Agenda:

Vital Signs

- Freshwater
- Streams and Floodplains
- Estuaries
- Forests and Wetlands
- Orcas

Strategies

- 4. Riparian Areas
- 20. Climate Adaptation and Resilience

Desired Outcomes

- 1.4.1. In-stream and riparian areas of rivers and streams restored.
- 2.2.3. Nutrient loading in runoff from agricultural lands and working forests reduced.
- 4.1.1. Better understand and communicate the effects of climate change on Puget Sound.

- 4.3.1. Increase the resilience of the Puget Sound ecosystem and recovery efforts by adapting to changing climate and ocean conditions when conducting protection and restoration activities.

Actions

- 11. Establish and implement science-based riparian protection, restoration, and management policies that result in a minimum '1 Site Potential Tree Height' forested riparian area standard.
- 201. Provide incentives, financial and technical support to local jurisdictions that have prioritized riparian restoration.

This request also supports efforts under the Governors' Executive Order 1802, Southern Resident Orca Recovery and Task Force through the following recommendations:

- #1 Significantly increase investment in restoration and acquisition of habitat in areas where Chinook stocks most benefit Southern Resident orcas.
- #5 Develop incentives to encourage voluntary actions to protect habitat.
- #45 Mitigate the impact of a changing climate by accelerating and increasing action to increase the resiliency and vitality of salmon populations and the ecosystems on which they depend.

State Workforce Impacts:

N/A

Intergovernmental:

Several of the grants supported by this request will pass-through funding to other governmental entities and/or Tribes. These funds will support environmental protection and restoration work within those communities. Other grants will pass-through funding to state agency partners to support work and projects done throughout the state. Ecology is confident that these entities will support this request and Ecology's ability to offer these funds.

Stakeholder Response:

This request will allow Ecology to leverage new funding opportunities coming to Washington State through the BIL and IRA. Communities, Tribes, residents, visitors, and organizations across Washington will benefit from Ecology's ability to use these federal dollars. Based on current implementation plans for each of the federal awards supported by this request, 89 percent of the funding received over the lifecycle of each grant will be passed through to local communities to support environmental and health work across the state. Ecology anticipates broad stakeholder support for this request.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[Fed Authority for BIL-IRA Grants-HEAL Attachment.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$1,018	\$1,018	\$2,036	\$1,314	\$1,360	\$2,674
Obj. B	\$366	\$366	\$732	\$473	\$490	\$963
Obj. E	\$57	\$57	\$114	\$76	\$78	\$154
Obj. G	\$17	\$17	\$34	\$23	\$23	\$46
Obj. J	\$11	\$11	\$22	\$15	\$16	\$31
Obj. N	\$11,658	\$11,708	\$23,366	\$18,777	\$18,742	\$37,519
Obj. T	\$412	\$412	\$824	\$532	\$551	\$1,083

Agency Contact Information

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Federal Authority for BIL/IRA Grants 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**Federal Authority for BIL/IRA Grants
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA. However, the federal funding opportunities supported by this request may have an impact, and that will be factored into the implementation plans for each funding award, independent of this request.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA. The request itself does not include any potential significant impacts to Tribes or their lands. However, the federal funding opportunities supported by this request may have an impact, and that will be factored into the implementation plans for each funding award, as applicable, independent of this request.

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA. Ecology has not engaged with Tribes in developing the request. However, many of the funding opportunities supported by this request will include funding that may be passed through to eligible Tribes. Ecology will engage with Tribes and other eligible entities on those pass-through funding opportunities, as applicable.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No. This request itself only seeks the federal spending authority needed to leverage new funding opportunities coming to the state through the BIL and IRA. It does not represent a significant agency action under the HEAL Act.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A



Agency Recommendation Summary

Washington Conservation Corps (WCC) collaborates with organizations to complete environmental stewardship projects statewide. WCC's cost-share requires partners to fund 75 percent of crew costs, and WCC funds the remaining 25 percent with state appropriations and an AmeriCorps grant. While this cost-share is the best approach for funding the core program in a marketplace of similar programs, it presents barriers for organizations in under-resourced areas. The 2022 supplemental operating budget funded a two-year pilot to provide five crews with no partner-provided cost-share to further the state's goals around service equity and environmental justice. To continue these efforts, Ecology requests ongoing funding to build on the success of the pilot, and continue providing these crews at no partner-provided cost-share for projects in areas of the state where assistance is most needed. (Model Toxics Control Operating Account)

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Operating Expenditures						
Fund 23P - 1	\$0	\$896	\$896	\$1,194	\$1,194	\$2,388
Total Expenditures	\$0	\$896	\$896	\$1,194	\$1,194	\$2,388

Decision Package Description

Background:

The Washington Conservation Corps (WCC) is an AmeriCorps program that creates leaders in environmental and disaster services through robust training, hands-on experience, community involvement, field skills development, and mentoring of young adults between the ages of 18 and 25 and military veterans. Most positions are 11.5-month AmeriCorps crew positions in which members serve on five-member crews led by a WCC crew supervisor. We also provide 15 11.5-month Individual Placement AmeriCorps positions in which members serve individually with natural resource partner organizations across the state.

Our members complete projects in partnership with nearly 90 local and Tribal governments, nonprofit entities, and state and federal agencies. National forests and parks, conservations districts, state and local natural resource agencies, Tribes, and other entities partner with WCC to accomplish projects for public and ecological benefits, such as recreational upgrades and environmental restoration and enhancement projects. Our members also engage in disaster response as needed, both nationally and locally.

Current WCC Crew Distribution

WCC crews are distributed across the state as noted on the map below. For the upcoming 2023-24 service year, which runs from October 2023 to September 2024, WCC will have 57 crew equivalents comprised of 54 crews (green pins) and 15 Individual Placement members (blue pins). As the map below indicates, WCC base locations are currently concentrated in the highly resourced I-5 corridor of Western Washington, with 22 percent of total crews for the upcoming year based in King County.

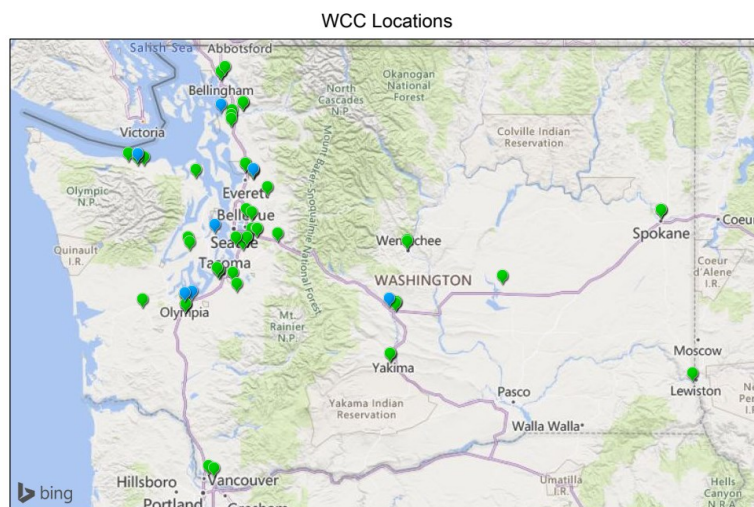


Figure 1: WCC Locations for 2023-24 Service Year (October-September)

WCC Standard Cost-Share Model

Under WCC's cost-share model, partners pay 75 percent of WCC's crew costs, and the remaining 25 percent is funded by a combination of WCC's state appropriation and a federal AmeriCorps grant. In addition to WCC crews, there are 15 members placed as AmeriCorps Individual Placements at partner organizations each year who are funded on a 75/25 basis.

Please note that the 25 percent cost-share is different from the percentage of state funding supporting total WCC costs. State appropriation funds 100 percent of 8.5 FTEs headquarters staff who are not part of the 75/25 cost-share model. In addition, state or federal funds support 100 percent of costs related to disaster response deployments (e.g., COVID support through Department of Health, wildfire response through Department of Natural Resources, or hurricane response through the Federal Emergency Management Agency).

While WCC's current cost-share model is the best approach for funding the core WCC program in a marketplace of other AmeriCorps programs, this model can present barriers to partnering with organizations that may operate in under-resourced areas of the state and/or are not able to participate under the standard cost-share. Many communities in our state are currently experiencing economic hardships and/or a range of environmental health disparities, and they could benefit from the services provided by WCC crews to promote and improve environmental and public health for those who live there.

2022 Pilot Project:

To further the state's goals around environmental justice and increase WCC assistance in communities across the state where it is needed most, in 2021, Ecology proposed a two-year pilot project to provide WCC services for up to five crews with no partner-provided cost-share for projects that advance environmental justice priorities in areas of the state that need assistance. The Legislature funded the pilot in the 2022 supplemental operating budget for service years 2022-23 (October 2022 – September 2023) and 2023-24 (October 2023 – September 2024). WCC's service years align with the federal fiscal year (October through September), as required by our federal AmeriCorps grant. This allowed Ecology to provide five crews with no partner-provided cost-share, support for projects that advance equity in areas of the state that need assistance.

To select projects eligible for the pilot, WCC expanded its competitive application process, which occurs each spring, to include additional selection criteria designed to prioritize projects and locations that promoted improvements in environmental justice. Projects earned points based on how they addressed each criteria in the Scoring Matrix (*see Attachment A*). Federal and state agencies were not eligible for the pilot in order to ensure that smaller nonprofits and local/Tribal governments were the beneficiaries. The pilot was designed to incentivize requests from new partners, and/or new projects from qualifying existing partners. Partners that requested support for existing projects during service year 2022-23 were not eligible for the pilot but continued to be eligible under the standard 75/25 cost-share model.

Year 1 Successes

During year 1 of the pilot, which began on October 1, 2022, WCC received 20 applications for support, and has been able to support 14 of those, including 10 from new organizations, and nine applications for new projects in priority areas, as identified by the applicant and pilot scoring matrix. WCC provided crew services to complete 97 projects in partnership with 14 organizations during the first year of the pilot (*see Attachment B* for details). These projects helped meet service equity and environmental justice goals through the criteria identified in our 2022 Decision Package, which was used to evaluate and score projects for the pilot. Of the 97 projects supported in year 1 of the pilot:

- **79 percent (77 of 97) were in economically distressed or rural counties** – WCC prioritized projects located in counties identified as economically distressed by the Employment Security Department (ESD) (<https://esd.wa.gov/labormarketinfo/distressed-areas>) and/or rural counties as defined by the Washington Department of Health's (DOH) Rural & Urban Counties Map (<https://www.doh.wa.gov/Portals/1/Documents/Pubs/609003.pdf>). This criteria supported projects in areas of the state experiencing economic hardship and/or rural counties that typically have fewer resources, and, as a result, may not have been able to partner with WCC in the past.
- **69 percent (67 of 97) were on Tribal land with Tribal partners** – WCC prioritized these projects to expand WCC's partnership and service with Tribes across Washington. Tribal partnerships with WCC had gone down in recent years, as Tribes have experienced reductions in available funding. But in year 1 of the pilot, WCC saw Tribal participation increase from six partners to 10 across both the pilot and standard programs. Through the pilot, WCC has been able to serve in large sections of the state where crews had previously had little presence and allowed us to build new relationships so Tribal community members are aware of the program and may choose to enroll in the future.
- **72 percent (70 of 97) were with new organizations** – WCC prioritized projects from new partners to incentivize participation from organizations who had not partnered with WCC in the past. This broadened WCC's pool of project partners, and provided an avenue for organizations who had not benefited from WCC services in the past.
- **3 percent (3 of 97) were with small organizations** – WCC prioritized projects from partners with small operating budgets (\$500,000 or less) and with few staff (five or less) to allow access to organizations that have not ordinarily be able to partner with WCC under the standard 75/25 cost-share. Incentivizing projects from smaller organizations expands the pool of organizations that can receive WCC support, and helps to provide support in communities with fewer resources.

Additionally, application materials submitted by partner organizations for all 97 projects supported during the first year of the pilot identified benefits to vulnerable populations and mitigation of environmental harms in overburdened communities. The application process included a link to the Washington Environmental Health Disparity (EHD) Map provided by the Washington Department of Health. Candidates were asked to answer questions around the EHD rating for the communities served and were provided an open narrative field to describe the project's impact

on vulnerable populations. The scoring committee scored these sections as part of the review process.

Under the HEAL Act (Chapter 70A.02 RCW), “vulnerable populations” include population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms. Vulnerable populations include, but are not limited to, racial or ethnic minorities, low-income populations, populations disproportionately impacted by environmental harms, and populations or workers experiencing environmental harms. “Environmental harm” is defined in the HEAL Act as the health impacts caused by exposure to pollution, adverse environmental effects, loss of ecosystem functions, and health and economic impacts of climate change. While an “overburdened community” is defined as a geographic area where vulnerable populations face combined environmental harms and health impacts.

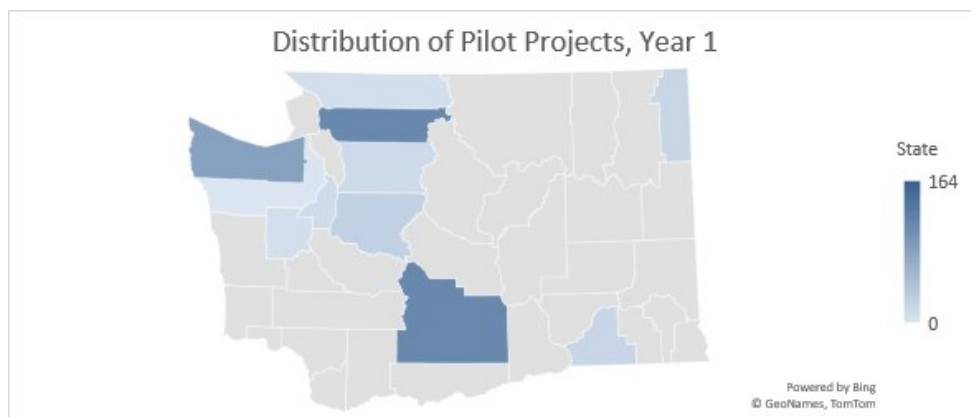


Figure 2: Distribution of projects from first year of WCC’s pilot program. Graphic shows the distribution of crew days awarded under the pilot. Counties in darker blue received upwards of 164 days of state-funded crew services in Year 1.

Example projects completed during year 1 of the pilot included:

- Livestock exclusionary fencing installation with the Yakama Nation, providing multiple benefits, including increased buffalo grazing land, watershed pollution prevention, and wetland protection (Yakima County).
- Invasive removal, debris removal, and willow stake harvesting and planting for Skagit River System Cooperative, a Tribal organization for the Swinomish and Sauk-Suiattle Tribes (Skagit County) to restore habitat. The decreased salmon populations and destruction of their habitat has caused environmental harm to these Tribes through impaired water quality and health impacts from the loss of traditional foods.
- Invasive plant control for the Quileute Tribe near La Push (Clallam County) to restore riparian areas for salmon recovery.
- ADA-accessible trail improvements with Hood Canal Salmon Enhancement Group (Mason County) to improve accessibility for all.
- Invasive plant removal and native plant installation in a riparian area for the Kitsap Conservation District (Kitsap County).
- Large, woody debris structure installation to improve salmon habitat for the Lower Elwha Klallam Tribe (Clallam County) to increase salmon recovery and access to a healthy food source and treaty right for the Tribe.
- Urban forest restoration with the City of Burien (King County) to increase canopy cover and access to green spaces for students – 82 percent of whom identify as people of color.

Year 2 Demand

The application period for the 2023-24 service year and year 2 of the current pilot closed on May 4, 2023. The demand and need for continuing to provide crews with no partner-share continues to be evident. For year 2, we received 19 applications, 14 of which are from year 1 partners that requested support on new projects in priority areas, and five applications were submitted by partners new to the pilot. Projects for year 2 are still being developed, but a list of project partners that have been selected is included in *Attachment C*.

Next Steps:

To further the state’s goals around equity and environmental justice and continue providing WCC assistance in communities across the state where it is needed most, Ecology is requesting to transition the current pilot to an ongoing initiative, beginning October 1, 2024. This budget request will provide the ongoing state funding needed to provide WCC services for up to five crew equivalents each service year.

WCC must maintain a minimum of 54 crew equivalents each year to meet its AmeriCorps program size requirements, but our current funding model is designed to support a maximum of 59 crew equivalents each year. The number of crews per year can fluctuate between 54 and 59, based on partner availability. In addition to the proposed ongoing initiative, WCC will continue to maintain a minimum of 54 crews under its standard 75/25 cost-share model to ensure we can meet AmeriCorps requirements. At the same time, through the proposed ongoing initiative, we will continue to fund five crews with no cost-share requirement so we can prioritize partners and projects that advance environmental justice outcomes in areas of the state where assistance is most needed. If this request is supported, Ecology will provide 100 percent of the funding required for these five crews through state appropriation, instead of the standard 25 percent.

This approach will ensure that WCC can continue to meet its minimum size requirements with crews supported under the current 75/25 cost-share model and stay within our maximum size of 59 crews approved by AmeriCorps. As with our pilot, WCC has informed the Office of Financial Management's Serve Washington, the state reviewing body for AmeriCorps programs, and they have expressed their support for this request. Ecology's Shorelands and Environmental Assistance Program and WCC have both confirmed that adjusting WCC's cost-share model for this an ongoing initiative will not result in any complications related to existing AmeriCorps requirements, logistics, or the core WCC program and its current standard cost-share model.

Beginning in fiscal year 2024, one crew will cost \$318,423 per service year. To support the proposed ongoing initiative, Ecology is requesting the 75 percent cost-share normally provided by partner organizations ($\$318,423 \text{ per crew} \times 0.75 = \$238,817 \text{ per crew, per year}$). Please note, because the proposed initiative does not expand the total number of WCC crews beyond the program's maximum of 59, Ecology already has the 25 percent cost-share that is normally provided through a combination of existing state appropriation and AmeriCorps grant funding for these pilot crews. For this reason, we are only requesting the 75 percent cost-share that is normally provided by the partner organizations.

This 75 percent cost-share equates to \$19,901 per month, per crew ($\$238,817 \text{ per crew} / 12 \text{ months} = \$19,901 \text{ per crew}$). Ecology will need the following amounts per fiscal year to operate these five crews ongoing with no cost-share, beginning October 1, 2024:

- Fiscal Year 2025 (9 months; 10/1/24 – 6/30/25): \$895,564 ($\$19,901 \text{ per month, per crew,} \times 5 \text{ crews} \times 9 \text{ months} = \$895,565$).
- Beginning Fiscal Year 2026 and ongoing (12 months; 7/1/25 – 6/30/26): \$1,194,087 ($\$19,901 \text{ per month, per crew,} \times 5 \text{ crews} \times 12 \text{ months} = \$1,194,087$).

WCC will continue to use its competitive application process each spring to prioritize projects that expand service equity and environmental justice. The program will build on the selection process and criteria used for the current pilot to identify and support projects that will have the greatest benefit in areas with the greatest need. Additionally, by transitioning the pilot beginning in fiscal year 2024, we will avoid any gap in being able to offer these no cost-share crews, and be able to capitalize and expand on the outreach already being performed for communities that have not previously been recipients of WCC services.

On a separate, but related note, WCC is aware that the Department of Natural Resources is submitting a budget request for the 2024 supplemental to partner with WCC's core program under the current 75/25 cost-share model. WCC has space to support these partnerships under our core program beginning next fiscal year, if not before, and we are very supportive of these requests.

Impacts on Population Served:

With ongoing funding, WCC will continue expanding partnerships with organizations that have limited resources. Example populations served by this program include communities experiencing:

- Limited or degraded greenspaces polluted by refuse and proliferation of noxious or toxic invasive plants.
- Decreased access to healthy food sources (e.g., salmon, buffalo, waterfowl) caused by impaired waterways and degraded habitats.
- Limited investment in recreational opportunities that provide healthy access to the outdoors.

In addition, each WCC crew provides five AmeriCorps members and one full-time WCC crew supervisor with a full-time income. WCC prioritizes hiring members from the communities where crews are located, and AmeriCorps members are paid a living allowance that is aligned with the state's minimum wage. They receive months of on-the-job training, earn licenses and certifications, and leave the program after a year of service with an education award that can be used for repaying student loans or to further their education.

WCC is a pipeline to professional environmental positions in state government and our partner organizations. WCC members today are the leaders at Ecology and other environmental organizations tomorrow. A strategic investment to expand WCC services in areas of the state that are marginalized builds a more robust pool of experienced and diverse candidates for recruitment and advancement at Ecology and other natural resource organizations.

Alternatives Explored:

The alternative to funding this request would be that WCC would return to how it has operated for decades, after the 2023-24 service year, and partner only with organizations that have secure funding that enables participation under the current 75/25 cost-share model. This would mean continued partnerships with more highly resourced organizations and/or in communities that already have a strong WCC crew presence. This alternative would only further solidify existing disparities in environmental restoration, recreation enhancement, and disaster response services.

Consequences of Not Funding This Request:

This request represents a unique opportunity to continue advancing the state's goals around environmental justice and equity by investing in a nationally recognized program that has the infrastructure in place to develop and deploy statewide. If this request is not funded, WCC would likely return to having crews only concentrated in the highly resourced portion of the I-5 corridor. This would continue the unintended consequence of WCC's cost-share model limiting services to only those that can afford them.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request will not expand Ecology's WCC crews beyond our current maximum size of 59 crews. WCC is required to maintain a minimum of 54 crews to meet AmeriCorps requirements, but our current funding model is designed to support a maximum of 59 crew equivalents each year. WCC will continue to maintain a minimum of 54 crews under the standard 75/25 costshare model to ensure we meet AmeriCorps requirements. At the same time, we will continue five crews with no cost-share requirement to prioritize partners and projects that advance service equity and environmental justice in areas of the state where assistance is most needed. Ecology will provide 100 percent of the funding required through state appropriations instead of the standard 25 percent share for these five crews.

Detailed Assumptions and Calculations:

Beginning October 1, 2024, and ongoing, Ecology requires salaries, benefits, and associated staff costs for five WCC crews to support projects that advance service equity and environmental justice priorities in areas of the state that need assistance the most.

Workforce Assumptions:

Expenditures by Object		<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
A	Salaries and Wages		174,791	233,055	233,055	233,055	233,055
B	Employee Benefits		144,642	192,856	192,856	192,856	192,856
E	Goods and Services		39,116	52,155	52,155	52,155	52,155
G	Travel		52,481	69,975	69,975	69,975	69,975
N	Grants, Benefits, and Client Services		441,889	589,185	589,185	589,185	589,185
	Intra-Agency						
T	Reimbursements		42,646	56,861	56,861	56,861	56,861
	Total Objects		895,564	1,194,087	1,194,087	1,194,087	1,194,087

Staffing			<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
Job Class	Salary							
	Total FTEs		0.00	0.00	0.00	0.00	0.00	0.00

Explanation of costs by object:

All costs are based on a per-crew/per-month basis multiplied by the 75% share required. Please note: No full-time employee (FTE) authority is needed as WCC already has FTE authority for up to 59 crew supervisors.

Salary estimates are based on current biennium actual rates for five WCC crew supervisors (one per crew) at Step L.

Member living allowances for 25 members (five members per crew) are shown in Object N, based on an average of \$2,618 per month, per crew member. Please note: For calculating the costs for this budget request, the full-term living allowances earned over members' 11.5-month terms have been divided evenly over 12 months.

Benefits are the agency average of 50.7% of salaries for WCC crew supervisors. This benefits rate is higher than Ecology's standard benefit costs because WCC crew supervisors earn less than the agency average, so items like health insurance represent a higher percentage of employees' salaries. Benefits associated with living allowance for members are calculated at 12.678% and include Old Age and Survivors Insurance/OASI (6.2%), Hospital Insurance/Medicare (1.45%), Medical Aid and Industrial Insurance (hourly rate), and health insurance (monthly rate).

Goods and Services are \$1,159 per month per crew based on current WCC averages.

Travel is \$1,555 per month per crew based on current WCC averages.

Agency Administrative Overhead is calculated at the indirect rate of 5% specified in RCW 43.220.231. The 5% agency indirect is applied to total direct costs.

Strategic and Performance Outcomes

Strategic Framework:

Strategic Framework:

This request is essential to achieving Ecology's Goal 1: Support and Engage our Communities, Customers, and Employees and the Governor's Goal 2: Prosperous Economy because it will:

- Support areas disproportionately impacted by environmental burdens.
- Increase access to full time jobs in the local community that pay a living wage.
- Provide members with:
 - Months of on-the-job training and the opportunity to earn licenses and certifications and leave the program, after a year of service, with an education award they can use to repay student loans or further their education.
 - A pipeline to professional environmental positions in state government and our partner organizations.

This request is essential to achieving Ecology's Goal 2: Reduce and Prepare for Climate Impacts, Goal 3: Prevent and Reduce Toxic Threats and Pollution, and Goal 4: Protect and Manage Our State's Waters and the Governor's Results Washington Goal 3: Sustainable Energy and a Clean Environment, because it will put WCC members on-the-ground in communities providing the type of services described below:

- Planting trees and shrubs that shade wetlands and streams to help reduce water temperatures and filter toxins from watersheds and sequester carbon and stabilize stream banks to control erosion and reduce the chance of floods.
- Planting native species, removing invasive species, and adding woody debris to streams to improve salmon habitat.
- Removing toxic creosote-treated debris from beaches and marine and estuarine waters.
- Reducing or eliminating terrestrial and aquatic invasive species that cause significant environmental and economic harms - including eradicating green crab, considered to be one of the most invasive species in the marine environment.
- Clearing thousands of acres of land to restore habitat for wildlife.
- Monitoring and collecting data to improve our understanding of environmental problems and outcomes of restoration projects.
- Installing and improving public trail campsites contributing to long-term environmental protection goals by making nature more accessible for the public.

Performance Outcomes:

The outcome of this request will be five ongoing WCC crew equivalents dedicated to collaborating with organizations to complete environmental stewardship projects statewide on projects that advance service equity and environmental justice initiatives and continue the legacy of a nationally recognized WCC. This funding will help WCC continue to meet our state and federal performance goals in areas of the state that do not currently benefit as much as other areas do.

Equity Impacts

Community outreach and engagement:

In spring 2022, WCC released a call for projects. These were published on Ecology's external website, social media channels, and through our partner listserv that consists of nearly 350 organizations. Working through Ecology's executive adviser for Tribal affairs, we created an invitation that was sent directly to Tribes. In response to these outreach efforts, WCC received 21 applications for support, with 12 applications from new organizations and nine for new projects in areas identified as priorities in our scoring matrix. We were also able to increase Tribal partnerships from six Tribes to 10.

As we work to fulfill these project requests, the WCC rotated in and used nearby WCC members serving on these sites. This expanded the number of members who were able to participate in these projects, increasing our members' awareness around service equity and environmental justice and providing them with networking opportunities within this arena. So far, 25 percent of our members have served on a pilot site during the current service term.

Disproportional Impact Considerations:

This request will provide a waived cost-share for projects that benefit overburdened communities. This request is designed to aid only the areas disproportionately impacted by environmental burdens through an application process and scoring matrix. Our regular cost-share program is available to organizations that operate in more well-resourced areas.

The WCC's AmeriCorps member positions are for young adults ages 18-25 and military veterans of all ages (veterans are approximately five percent of the total WCC program). However, these opportunities are not centered on infrastructure or utility-related internships; the primary service activity for WCC is environmental restoration.

Target Populations or Communities:

This request will provide direct environmental and disaster response services in communities that need them the most. Specifically, this request will support WCC services in communities that have not previously received WCC support, are in areas ranked high cumulative impact on the Environmental Health disparities map, are identified by OFM as distressed, and with high percentile people of color or low-income population.

Through this program, WCC will partner with Tribes, cities, counties, nonprofits, and conservation districts to provide environmental restoration or recreational enhancement projects at free or reduced costs in these areas. This request will also advance long-term goals of diversifying the environmental services workforce in the state. This request supports five crews that include 25 AmeriCorps members and five WCC crew supervisors. WCC prioritizes hiring crew members from the communities where crews are located. The attached scoring matrix focuses on equity and aligns with Ecology's priorities.

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

This request provides a direct benefit to county, city, and Tribal government partners. Through the partner and project criteria discussed above, these local and Tribal governments will be eligible for WCC services at a reduced cost for projects that benefit underserved communities. By providing reduced cost-share requirements, this request lowers barriers to access, helping WCC build working relationships with new partners in new communities to expand our pool of partner organizations.

WCC also partners with other state agencies, including the departments of Fish and Wildlife, Health, Military, Natural Resources, Transportation, and the State Parks and Recreation Commission through our existing cost-share program. Although WCC will exclude other state agencies from eligibility for reduced cost-share, we anticipate these agencies will be supportive of this request. This request will help establish crews in underserved communities where WCC has a limited presence. Part of WCC's statutorily required mission is to be available to respond to emergencies. In this role, we support other state agencies.

For example, WCC responds to wildfires under the direction of Department of Natural Resources and responds to floods and landslides with the Emergency Management Division of the Washington Military Department. WCC helped to deploy field hospitals and staff COVID19 vaccine distribution centers for the Department of Health. This request will expand our partnerships in communities where WCC has limited availability to state partners for localized disaster response services. When WCC responds to disasters, our partnering state agencies do not follow our traditional 75/25 cost-share model. Instead, they support 100 percent of costs for disaster response. In addition, this request will help

train WCC members from these communities, providing hands-on experience for the next generation of environmental leaders.

Stakeholder Response:

In fiscal year 2023, WCC partnered with 31 cities and counties, 13 conservation districts, five regional fisheries enhancement groups, 15 nonprofit organizations, and 10 Tribal governments to complete environmental restoration projects. If funded, this request will allow WCC to expand outreach with nonprofit organizations, local jurisdictions, and Tribal governments that have limited resources.

By providing WCC crew services with no partner-provided cost-share, WCC can continue to form new partnerships and build capacity with under resourced and marginalized communities while providing direct environmental and disaster services and building the local environmental workforce. Through the pilot, WCC has partnered or will partner with the following organizations:

• City of Burien	• Skagit River System Cooperative
• Confederated Tribes of the Umatilla Reservation	• Tulalip
• Hood Canal Salmon Enhancement Group	• Whatcom Million Trees
• Jamestown S’Klallam Tribe	• Yakama Nation
• Jefferson Land Trust	• City of Tukwila
• Kalispel Tribe of Indians	• City of Bellingham
• Kitsap CD	• Clallam County
• Lower Elwha Klallam	• Senco/Metro Parks Tacoma
• Quileute Tribe	• North Olympic Salmon Coalition
• City of SeaTac	

Six of these partners are already transitioning – in whole or in part - to the regular WCC cost-share model after their experiences in the pilot. While not all organizations will have capacity to pursue funding to fully transition to the regular cost-share program, WCC will continue to prioritize new partners under this initiative to serve more stakeholders.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

See attached.

Reference Documents

[WCC Service Equity & EJ Initiative-Attachment A.pdf](#)
[WCC Service Equity & EJ Initiative-Attachment B.xlsx](#)
[WCC Service Equity & EJ Initiative-Attachment C.xlsx](#)
[WCC Service Equity & EJ Initiative-HEAL Attachment.pdf](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	\$0	\$175	\$175	\$233	\$233	\$466
Obj. B	\$0	\$145	\$145	\$193	\$193	\$386
Obj. E	\$0	\$39	\$39	\$52	\$52	\$104
Obj. G	\$0	\$52	\$52	\$70	\$70	\$140
Obj. N	\$0	\$442	\$442	\$589	\$589	\$1,178
Obj. T	\$0	\$43	\$43	\$57	\$57	\$114

Agency Contact Information

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Attachment A: WCC Scoring Matrix



Figure 1. WCC crews complete riparian restoration with the Quileute Tribe. Photo courtesy: Sam Miller-Indresano.

Introduction

The scoring categories below are used to assess partner proposals submitted to WCC. Scoring is completed by a panel, with the scores aggregated to determine the list of partners for the WCC's crew service term (October-September).

Scoring used for all WCC partner proposals

- (a) **Project Scope:** Is the project within scope of WCC's service (environmental restoration or recreational access improvement) – Pass/Fail.

Pass – continue scoring
Fail – stop scoring; decline funding
- (b) **Project details, diversity, and quality:** High scores for multiple project types, unique projects, projects that build long-term skills for members, alignment with schedule availability. Low scores for repetitive tasks, or tasks that have little potential to build long-term skills for members – 30 points.
- (c) **Member Development & Mission Alignment:** High scores for well-developed orientation plan, detailed and specific training plan, multiple partner-provided training opportunities, clear plan for facilitated networking with organization staff. Low scores for not including sponsor & site-specific orientations – 25 points.

Environmental Justice & Service Equity Categories

Project-based Criteria

- (a) Is the project located in a county designated as an economically distressed area?
 - Yes = 10 points
 - No = 0 points

This criteria prioritizes projects located in counties defined as economically distressed so that WCC projects will provide a benefit in areas of economic hardship. Information on project location will be requested from the applicant and verified against [Employment Security Department's distressed areas list](#).

(b) Will the project be completed in a rural county?

- Yes = 10 points
- No = 0 points

This criteria prioritizes projects in rural counties that may not have been able to partner with WCC in the past due to lack of resources or project location. Information on the county the project is located in will be gathered from the applicant and verified against the [Rural and Urban Counties Map from the Washington Department of Health](#).

(c) Is the project located in a census tract experiencing high levels of environmental health disparity?

- Score of 10 = 10 points
- Score of 8 or 9 = 5 points
- Score of 7 or lower = 0 points

This criteria prioritizes projects located in census tracts that have high environmental health disparity scores ([Environmental Health Disparities Map, Information by Location | Washington Tracking Network \(WTN\)](#)) so that WCC projects can provide a benefit in specific tracts that have high levels of environmental health disparity. Information on project location will be requested from the applicant and verified against the environmental health disparities map.

(d) Supporting vulnerable communities: Will the proposed project(s) mitigate environmental harms for overburdened communities?

- High points for clearly identified population and clear description of benefits and positive impacts = 20 points
- Medium points for described environmental harm with potential mitigation by this project = 10 points
- No points for failing to identify impacted population, benefits provided, and/or environmental harm mitigated = 0 points

The goal of this criteria is to prioritize projects that directly benefit vulnerable populations. The definition of “vulnerable populations” is set by the HEAL Act and includes population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms. Vulnerable populations include but are not limited to racial or ethnic minorities, low-income populations, populations

disproportionately impacted by environmental harms and populations or workers experiencing environmental harms (The HEAL Act, E2SSB 5141.SL Section 2.14). “Environmental harm” is defined in the HEAL Act as the health impacts caused by exposure to pollution, adverse environmental effects, loss of ecosystem functions, and health and economic impacts of climate change (The HEAL Act, E2SSB 5141.SL Section 2.5). An “overburdened community” is defined in the HEAL Act as a geographic area where vulnerable populations face combined environmental harms and health impacts (The HEAL Act, E2SSB 5141.SL Section 2.11).

(e) Will the project be completed on Tribal lands?

- Yes = 10 points
- No = 0 points

This criteria prioritizes projects that will have a direct impact on Tribal lands. The definition of Tribal lands will be consistent with the HEAL Act (The HEAL Act, E2SSB 5141.SL Section 2.13). Information on project location will be requested from the applicant as well as whether the project occurs in a location that meets the definition of Tribal lands.

Sponsor-based criteria:

(a) Resources: does the organization lack the funds or institutional support to participate in WCC’s standard 75/25 cost-share model (5 points)

- Organization clearly articulates why they do not have resources to participate in the regular WCC cost-share model = 5 points
- Organization is requesting crew services under our regular cost-share model, but is unable use these funds on this project and this is well-articulated = 3 points
- Organization is requesting regular cost-share support from WCC and cannot explain why they are not using their regular funds for this project = 0 points

This criteria prioritizes small organizations that would not ordinarily be able to partner with WCC to complete projects. This information is requested from the applicant in the form of a copy of the organization’s annual budget and an organizational chart showing staffing structure.

(b) Is the applicant a Tribal government?

- Yes = 10 points
- No = 0 points

The goal of this criteria is to prioritize projects from Tribes to expand WCC’s partnership and service with Tribes. Applicant information will be verified against the [Washington State Tribal Directory from the Governor’s Office of Indian Affairs](#)

(c) Organization Budget and staff size:

- Organization budget is less than \$500,000, 5 points.
- Organization budget is more than \$500,000, 0 points.

Staff size is 5 FTE or less, 5 points

- Staff size if more than 5, 0 points

Prioritizes small organizations that would not ordinarily be able to partner with WCC to complete projects. This information is requested from the applicant in the form of a copy of the organization's annual budget and an organizational chart showing staffing structure.

Total possible points: 140 points

Total points from Environmental Justice & Service Equity categories: 85 points

All questions include space for additional explanation to ensure applicants can describe scenarios where data alone may not represent a complete picture of their organization or the project details or location. WCC will exclude other state agencies from eligibility for this reduced cost share to ensure that smaller nonprofits and local and Tribal governments are the primary beneficiaries.

Related Information

- WCC Website: <https://ecology.wa.gov/wcc>



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To request an ADA accommodation, contact Ecology by phone at 360-480-2603 or email at josiah.downey@ecy.wa.gov, or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877-833-6341.

Attachment B - WCC Pilot - Year 1 Completed Projects (Oct. 1, 2022 - Sep. 30, 2023)

Purpose: Table below includes information on partners and projects that were part of the Washington Conservation Corps' (WCC) environmental justice pilot project during crew year 2022-2023 (Oct. 1, 2022 - Sep. 30, 2023). WCC evaluated and selected projects for the pilot based on specific criteria designed to prioritize projects and locations that promoted improvements in environmental justice.

#	Partner Name	Project Name	County	Small Org	Tribal	New Partner	Economically Distressed County	Rural County	Census Tract - High Environmental Health Disparity	Tribal Lands	Benefits Vulnerable Population / Mitigate Harms
1	City of Burien	Seahurst Park Slope Restoration	King	No	No	Yes	No	No	Yes	No	Yes
	City of Burien	Salmon Creek Ravine Restoration Site		No	No	Yes	No	No	Yes	No	Yes
2	City of SeaTac		King	No	No	Yes	No	No	Yes	No	Yes
	City of SeaTac	Sea Tac Golf Course		No	No	Yes	No	No	Yes	No	Yes
	City of SeaTac	North SeaTac Park		No	No	Yes	No	No	Yes	No	Yes
3	Confederated Tribes of the Umatilla Reservation		Walla Walla	No	Yes	No	No	Yes	No	Yes	Yes
	Confederated Tribes of the Umatilla Reservation	Umatilla Wetland staking site 3		No	Yes	No	No	Yes	No	Yes	Yes
	Confederated Tribes of the Umatilla Reservation	Wetland Restoration #3		No	Yes	No	No	Yes	No	Yes	Yes
	Confederated Tribes of the Umatilla Reservation	Tucannon		No	Yes	No	No	Yes	No	Yes	Yes
4	Hood Canal Salmon Enhancement Group		Mason	No	No	No	No	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Salmon Center		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Dewatto River		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Dosewallips		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Little Quilcene River		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Mission Creek		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Little Quilcene River		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Tahuya River		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Big Quilcene River		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Cappy's Trails, City of Port Townsend Parks		No	No	No	Yes	Yes	No	No	Yes
	Hood Canal Salmon Enhancement Group	Tahuya River		No	No	No	Yes	Yes	No	No	Yes
5	Hood Canal Salmon Enhancement Group	Big Anderson Creek	Clallam	No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Jamestown S'Klallam Tribe	Rivers Edge		No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Jamestown S'Klallam Tribe	Game Farm Fish Trap		No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Jamestown S'Klallam Tribe	Sequim Bay Fish Trap		No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Jamestown S'Klallam Tribe	Jimcometely Creek		No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Jamestown S'Klallam Tribe	Siebert Creek		No	Yes	Yes	Yes	Yes	No	Yes	Yes
6	Jefferson Land Trust		Jefferson	No	No	Yes	Yes	Yes	No	No	Yes
	Kalispel Tribe of Indians	Valley View Forest		No	No	Yes	Yes	Yes	No	No	Yes
7	Kalispel Tribe of Indians		Pend Oreille	No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Kalispel Tribe of Indians	Fish Monitoring Project		No	Yes	Yes	Yes	Yes	No	Yes	Yes
8	Kalispel Tribe of Indians	Riparian Restoration Site	Kitsap	No	No	Yes	Yes	Yes	No	Yes	Yes
	Kitsap Conservation District	Chico Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Seabeck Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Salmonberry Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Curley Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Dickerson Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Little Anderson Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Dickerson Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Kitsap Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Ojala Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Scandia Creek		No	No	No	No	No	No	No	Yes
	Kitsap Conservation District	Grover's Creek		No	No	No	No	No	No	No	Yes
9	Lower Elwha Klallam Tribe		Clallam	No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Lower Elwha Klallam Tribe	Deep Creek log jam		No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Lower Elwha Klallam Tribe	Tse-whit-zen site		No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Lower Elwha Klallam Tribe	Deep Creek Log Jam		No	Yes	Yes	Yes	Yes	No	Yes	Yes
	Lower Elwha Klallam Tribe	Sunny's house		No	Yes	Yes	Yes	Yes	No	Yes	Yes

	Lower Elwha Klallam Tribe	322 Sampson		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Baseball field, retired fisheries fence line, and adjacent house		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Charles Rd House		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Elwha Food Bank and Upper Housing		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Roadside by east mouth of Elwha		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	East Elwha River Mouth Beach Scotch Broom Removal		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Beach Lake Conservation Area		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Far East Roadside		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	East Beach Scotch Broom		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Warrior Path Road		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Stratton Hill Broom		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Wooden House		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Seamit Rd Ditch line		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	Charles Hopie Rd		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	East Twin River Fish Trap		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Lower Elwha Klallam Tribe	West Twin River Fish Trap		No	Yes	Yes	Yes	No	Yes	Yes	Yes
10	Quileute Tribe	Clallam		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Quileute Tribe	Mora Trio settling pond		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Quileute Tribe	Dungeness Log Jams fall 2022		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Quileute Tribe	Dickey		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Quileute Tribe	CREP buffer extended		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Quileute Tribe	West Oxbow		No	Yes	Yes	Yes	No	Yes	Yes	Yes
11	Skagit River System Cooperative (includes Swinomish & Sauk-Suiattle Tribes)	Skagit		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Skiyou		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Nookachamps		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Red Creek		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Hansen		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Barnaby Slough		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Rockport		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Bryson rd. Sauk river		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Illabott East		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Shelter Bay		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Fornisby		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Elysian		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	SASC NURSERY		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Gravel Creek		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Illabott Watson		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Red Cabin Creek		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Alder creek		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Martin		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Barbz		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Illabot extension		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Perrigue		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Sauk river road		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Swinomish Cedar Hats		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Presentin Ranch		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Lyle		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Franks		No	Yes	Yes	Yes	No	Yes	Yes	Yes
	Skagit River System Cooperative	Crescent		No	Yes	Yes	Yes	No	Yes	Yes	Yes
12	Tulalip Tribes	Snohomish		No	Yes	No	No	No	No	Yes	Yes
	Tulalip Tribes	Old Boeing Site		No	Yes	No	No	No	No	Yes	Yes
	Tulalip Tribes	Entire Tulalip Reservation		No	Yes	No	No	No	No	Yes	Yes
	Tulalip Tribes	Culverts		No	Yes	No	No	No	No	Yes	Yes
13	Whatcom Million Trees	Whatcom		Yes	No	Yes	No	No	No	No	Yes
	Whatcom Million Trees	Juliana Park		Yes	No	Yes	No	No	No	No	Yes

	Whatcom Million Trees	Squalicum park		Yes	No	Yes	No	No	No	No	Yes	Yes
	Whatcom Million Trees	Woodstock farm park		Yes	No	Yes	No	No	No	No	Yes	Yes
14	Yakima Nation Wildlife	Yakima		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Yakima Nation Wildlife	Satus Ranch		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Yakima Nation Wildlife	Zimmerman		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Yakima Nation Wildlife	West White Swan Simcoe Creek		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Yakima Nation Wildlife	Lincoln meadows		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Attachment C - WCC Pilot - Year 2 Proposed Partners (Oct. 1, 2023 - Sep. 30, 2024)

Purpose: Table below includes information on proposed partners that applied to participate in year 2 of the Washington Conservation Corps' (WCC) environmental justice pilot project for crew year 2023-2024 (Oct. 1, 2023 - Sep. 30, 2024). The application period for year 2 of the pilot closed on May 4, 2023. Specific project sites for year 2 of the pilot are still being determined, but WCC will evaluate and select projects using the same criteria as it used for year 1 of the pilot.

#	Partner Name	Project Name	Small Org	Tribal	New Partner	Economically Distressed County	Rural County	Census Tract - High Environmental Health Disparity	Tribal Lands	Benefits Vulnerable Population / Mitigate Harms
1	City of Bellingham	TBD	No	No	Yes	No	No	TBD	No	Yes
2	City of Burien	TBD	No	No	No	No	No	TBD	No	Yes
3	City of SeaTac	TBD	No	No	No	No	No	TBD	No	Yes
4	City of Tukwila	TBD	No	No	Yes	No	No	TBD	No	Yes
5	Clallam County Parks	TBD	No	No	Yes	Yes	Yes	TBD	No	Yes
6	Confederated Tribes of the Umatilla Reservation	TBD	No	Yes	No	No	Yes	No	Yes	Yes
7	Hood Canal Salmon Enhancement Group	TBD	No	No	No	Yes	Yes	TBD	No	Yes
8	Jamestown S'Klallam Tribe	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes
9	Jefferson Land Trust	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes
10	Kalispel Tribe of Indians	TBD	No	No	No	Yes	Yes	TBD	No	Yes
11	Kitsap Conservation District	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes
12	Lower Elwha Klallam Tribe	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes
13	North Olympic Salmon Coalition	TBD	No	No	No	Yes	Yes	TBD	No	Yes
14	Quileute Tribe	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes
15	Skagit River System Cooperative	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes
16	Southend Neighborhood Association (Metro Parks)	TBD	Yes	No	Yes	Yes	Yes	TBD	No	Yes
17	Tulalip Tribes	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes
18	Whatcom Million Trees	TBD	Yes	No	No	No	No	TBD	No	Yes
19	Yakima Nation Wildlife	TBD	No	Yes	No	Yes	Yes	TBD	Yes	Yes

WCC Service Equity & EJ Initiative 2024 Supplemental Budget HEAL Act Template

Background

HEAL Act requirements

The Healthy Environment for All Act (HEAL Act), Chapter 314, Laws of 2021 (RCW [70A.02](#)) requires that “covered and opt in agencies” must implement the requirements of the act. This includes the:

- Departments of Ecology
- Department of Agriculture
- Department of Commerce
- Department of Health
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Office of Attorney General

HEAL Act agencies that are considering a significant agency action initiated after July 1, 2023, are required to conduct an environmental justice assessment. RCW 70A.02.010(12) specifies that significant agency actions include:

- The development and adoption of significant legislative rules as defined in RCW 34.05.328.
- The development and adoption of any new grant or loan program that the agency is explicitly authorized or required by statute to implement.
- A capital project, grant, or loan award costing at least \$12,000,000.
- A transportation project, grant, or loan costing at least \$15,000,000.
- The submission of agency request legislation to the Office of the Governor or OFM.

Under RCW 70A.02.080, beginning on or before July 1, 2023, covered and opt in agencies must, where practicable, take specific actions when making expenditure decisions or developing budget requests to OFM and the Legislature for programs that address or may cause environmental harms or provide environmental benefits. This includes:

- Focus applicable expenditures on creating environmental benefits that are experienced by overburdened communities and vulnerable populations, including reducing or eliminating environmental harms, creating community and population resilience, and improving the quality of life of overburdened communities and vulnerable populations.
- Create opportunities for overburdened communities and vulnerable populations to meaningfully participate in agency expenditure decisions.
- Clearly articulate environmental justice goals and performance metrics to communicate the basis for agency expenditures.
- Establish a goal of directing 40% of grants and expenditures that create environmental benefits to vulnerable populations overburdened communities.

To help OFM understand how HEAL Act agency budget requests meet HEAL Act requirements, covered agencies are required to complete additional questions related to the HEAL Act. These questions are shown below and are in addition to the equity related questions required of all agencies. Covered agencies are asked to complete the following questions and submit them through ABS.

**WCC Service Equity & EJ Initiative
2024 Supplemental Budget HEAL Act Template**

Supplemental HEAL Act Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

With ongoing funding, WCC will expand partnerships with organizations that have limited resources that are completing environmental services within areas disproportionately impacted by environmental harms like pollution and invasive species proliferation. Example populations served by this initiative include communities experiencing:

- Limited or degraded greenspaces polluted by refuse and proliferation of noxious – even toxic - invasive plants.
- Decreased access to healthy food sources (e.g., salmon, buffalo, waterfowl) caused by impaired waterways and degraded habitats.
- Limited investment in recreational opportunities in their communities that provide healthy access to the outdoors.

WCC crews engage in the actual, boots-on-the-ground work of reducing and preparing for climate changes. WCC crews improve and clear thousands of acres of land across Washington state. They remove creosote-treated debris from beaches and marine and estuarine waters, immediately eliminating a source of pollution. The plants installed by WCC crews filter toxins from watersheds and sequester carbon. In addition, the plants cool and clean rivers and streams, essential for salmon and other wildlife. WCC crews also reduce or eliminate terrestrial and aquatic invasive species that cause significant environmental and economic harms - including eradicating green crab, considered to be one of the most invasive species in the marine environment.

In addition, each WCC crew provides five AmeriCorps members and one full-time WCC crew supervisor with a full-time income. WCC prioritizes hiring members from the communities where crews are located, and AmeriCorps members are paid a living allowance that is aligned with the state's minimum wage. They receive months of on-the-job training, earn licenses and certifications, and leave the program after a year of service with an education award that can be used for repaying student loans or to further their education. WCC is a pipeline to environmental professional positions for state government and our natural resource partner agencies. Individuals who are WCC members today are leaders at Ecology and other environmental organizations tomorrow. WCC members introduce a diversity of perspectives and experiences to the work force. A strategic investment to engage marginalized and Tribal communities builds the pool of experienced candidates for recruitment and advancement at Ecology and other state agencies in the future.

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.

Any projects on Tribal lands will be performed under the request and direction of Tribes so we do not anticipate impacts.

WCC Service Equity & EJ Initiative
2024 Supplemental Budget HEAL Act Template

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.

Working through Ecology's Executive Adviser for Tribal Affairs, we created an invitation to participate in the initial pilot that was sent directly to Tribes. In response to these outreach efforts, WCC was able to increase Tribal partnerships from 6 to 10 Tribes. We anticipate additional partnerships under this proposal.

4. Has an [Environmental Justice Assessment](#) been completed? If so, please submit the assessment as an attachment in ABS.

No – this request is not a significant agency action under the HEAL Act.

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.

N/A

Department of Ecology
2024 Supplemental Operating Budget
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Dollars in
Thousands

ABS 029 Summarized Revenue by Account and Source
Department of Ecology
Agency Level
2024 First Supplemental Budget Session
S1 - Supplemental 2024

	Maintenance Level		Policy Level		Annual Totals	
	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025
001 - General Fund						
0366 - Environ Protection A - F						
MA - Compensation for New 2023-25 FTEs	0	12	0	0		
PB - NEP Stormwater Strategic Initiative	0	0	5,000	5,000		
PH - Fed Authority for BIL/IRA Grants	0	0	13,539	13,589		
Total - 0366 - Environ Protection A - F	0	12	18,539	18,589	18,539	18,601
						37,140
0381 - Dept of Energy - F						
8L - Lease Adjustments	1	2	0	0		
PC - Hanford Dangerous Waste Permit	0	0	0	29		
Total - 0381 - Dept of Energy - F	1	2	0	29	1	31
						32
001 - General Fund - Federal	1	14	18,539	18,618	18,540	18,632
Total - 001 - General Fund	1	14	18,539	18,618	18,540	18,632
						37,172
						37,172
20R - Radioactive MW Acct						
0294 - Hazardous Waste Fees - S						
8L - Lease Adjustments	2	9	0	0		
MC - Property Insurance Cost Increases	2	2	0	0		
PC - Hanford Dangerous Waste Permit	0	0	0	311		
Total - 0294 - Hazardous Waste Fees - S	4	11	0	311	4	322
						326
20R - Radioactive MW Acct - State	4	11		311	4	322
Total - 20R - Radioactive MW Acct	4	11			4	322
						326
216 - Air Pollution Ctl Ac						
0299 - Other Licenses Permi - S						
PK - Climate Pollution Reduction	0	0	0	42		
Total - 0299 - Other Licenses Permi - S	0	0	0	42		
					42	42
216 - Air Pollution Ctl Ac - State				42	42	42

ABS 029 Summarized Revenue by Account and Source
Department of Ecology
Agency Level
S1 - Supplemental 2024
Dollars in Thousands

	Maintenance Level		Policy Level		Annual Totals		Biennial Total
	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025	
Total - 216 - Air Pollution Ctl Ac						42	42
25Q - Clean Fuels Prog Acc							
0299 - Other Licenses Permi - S							
PK - Climate Pollution Reduction	0	0	0	153			
Total - 0299 - Other Licenses Permi - S	0	0	0	153	153	153	153
25Q - Clean Fuels Prog Acc - State				153	153	153	153
Total - 25Q - Clean Fuels Prog Acc					153	153	153
25T - RefriEmissManageAcct							
0299 - Other Licenses Permi - S							
PK - Climate Pollution Reduction	0	0	0	86			
Total - 0299 - Other Licenses Permi - S	0	0	0	86	86	86	86
25T - RefriEmissManageAcct - State				86	86	86	86
Total - 25T - RefriEmissManageAcct					86	86	86
315 - Dedicated Cannabis							
0299 - Other Licenses Permi - S							
PJ - Cannabis Lab Accreditation	0	0	0	498			
Total - 0299 - Other Licenses Permi - S	0	0	0	498	498	498	498
315 - Dedicated Cannabis - State				498	498	498	498
Total - 315 - Dedicated Cannabis					498	498	498
Agency: 461 ECY - State	4	11		1,090	4	1,101	1,105
Agency: 461 ECY - Federal	1	14	18,539	18,618	18,540	18,632	37,172
Total - Agency: 461 ECY	5	25	18,539	19,708	18,544	19,733	38,277

**State of Washington
Request for Fees and Taxes
2023-25 Biennium - 2024 Supplemental**

State of Washington Request for Fees and Taxes 2023-25 Biennium - 2024 Supplemental													
AGENCY		Code		Title									
		461		Department of Ecology									
Incremental Revenue Dollars in Thousands													
GF-SOther Funds													
		FY 2024	FY 2025	FY 2024	FY 2025								
Agency Name	Fee Code	Name of Fee/Tax	Is a bill required?	Z-Draft # (or Pending)	New, Increased, Continued?						Tried to Expenditure Change?	Fee Payer Position	Explanation of Change
461 Dept. of Ecology	K003	Mixed Waste Management Fee	No	No Legislation	Increased			4	322	Yes See ML 8L, ML MC, PL PC	Fee payers are aware of the annual adjustment. Adjustments to billing are communicated to facilities.	RCW 70.105.280 authorizes the department to assess the Mixed Waste Management Fee for regulation of radioactive mixed waste facilities. The Nuclear Waste Program bills the US Department of Energy at Hanford and three other mixed waste facilities. The Mixed Waste Management Fee is adjusted annually to fund program costs to implement Chapter 70.105 RCW and WAC 173-303 at radioactive mixed waste facilities.	
461 Dept. of Ecology	B014	Clean Fuels Program Fee	No	No Legislation	Increased				153	Yes, See PL PK	Credit and deficit generators as defined in WAC 173-424-110 must pay an annual fee. Ecology must establish fees based on workload using the process outlined below. The fees must be sufficient to cover Ecology's costs to administer the clean fuels program.	The legislature directed the collection of a fee to support Clean Fuels Program costs. Per RCW 70A.535.130, this fee is intended to support program administration. The positions in this request support program-wide operations which include activities undertaken by the Clean Fuels Program. As such, these positions should be partially fee-supported.	
461 Dept. of Ecology	-	HFC-Refrigerant Management Program Fee	No	No Legislation	Increased				86	Yes, See PL PK	Rulemaking is ongoing to determine fee schedule.	RCW 70A.60.030 directs Ecology to establish a refrigerant management program and authorizes the determination and assessment of annual fees to cover the direct and indirect costs of administering this program. The positions in this request support program-wide operations which include activities undertaken by the Refrigerant Management Program. As such, these positions should be partially fee-supported. Ecology is currently undergoing rulemaking to add a new section to WAC 173-455 to establish this fee as well as a process to update the fee to cover the costs of enforcing this program.	
461 Dept. of Ecology	B012	Greenhouse Gas Reporting Fee	No	No Legislation	Increased				42	Yes, See PL PK	Ecology publishes a fee schedule each October that sets the fee for the following calendar year, which is collected the next year.	Per WAC 173-441-110, each facility in the program pays an equal share of the projected cost of the program. The positions in this request support program-wide operations which include Greenhouse Gas Reporting. As such, these positions should be partially fee-supported.	
461 Dept. of Ecology	-	Cannabis Lab Accreditation Fee	No	No Legislation	New				498	Yes See PL PJ	Ecology began rulemaking in May 2023 to establish a cannabis lab accreditation program. Potential fee payers were made aware of the new fee and the likely magnitude of the fees during stakeholder meetings in August 2023. The potential fee payers have reacted negatively to the expected size of the fees.	RCW 69.50.348 requires Ecology to establish a fee to be charged to cannabis-testing laboratories seeking accreditation in order to support the program. The RCW requires Ecology to establish the fee schedule to fully cover the administrative and oversight costs of the program.	
Additional Comments:													

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Department of Ecology 2024 Supplemental Operating Budget Requests Supporting the Puget Sound Action Agenda

September 11, 2023

Decision Package	Vital Signs	Strategies	Targets	Desired Outcomes	Actions	Ongoing Program	Orca Task Force Recommendation	Federal Leveraging	Local Leveraging	Puget Sound Dollars	Total Request Dollars
1. PL PI Protecting State Waters	Freshwater Streams and Floodplains Estuaries Forests and Wetlands Drinking water Outdoor activity Shellfish beds Cultural wellbeing	4. Riparian Areas 7. Freshwater availability 20. Climate Adaptation and Resilience 21. Sense of Place 22. Recreation and Stewardship 23. Transparent and inclusive government 25. Natural resource industries		2.2.5, 4.3.1, 5.1.1, 5.2.3, 5.2.4, 5.3.2, 5.5.1, 5.6.2, 5.6.3, 5.6.4		OGP_ECY105shorelands Wetland Technical Assistance	3, 4, 37, 48			\$ 1,444,800	\$ 2,408,000
2. PL PK Climate Pollution Reduction	Air Quality	19. GHG Reductions and Carbon Sequestration 26. Human Health		4.2.1, 4.2.2, 5.6.1	136, 138, 140, 141, 144, 199	OGP_ECY32Air - Reducing Diesel, GHG, and Toxic Emissions	43			\$ 2,138,000	\$ 3,563,000
3. PL PH Federal Authority for BIL/RA Grants	Freshwater Streams and Floodplains Estuaries Forests and Wetlands Orcas Salmon	4. Riparian Areas 20. Climate Adaptation and Resilience		1.4.1, 2.2.3, 4.1.1, 4.3.1,	11, 201		1,545	Authority to spend federal leveraging funds		\$ 20,595,000	\$ 27,128,000
4. PL PB NEP Stormwater Strategic Initiative	Freshwater Marine Water Toxics in Aquatic Life	1. Smart Growth 2. Protect Working Lands 4. Riparian Areas 6. Fish Passage Barriers 7. Freshwater Availability 8. Prevent Pollution 10. Stormwater Runoff and Legacy Contamination 11. Wastewater Systems 12. Working Lands Runoff 18. Awareness of Effects of Climate Change 20. Climate Adaptation and Resilience 22. Recreation and Stewardship 23. Transparent and Inclusive Governance A. Funding B. Strategic Leadership & Collaboration C. Research & Monitoring E. Stewardship & Motivating Action		1.1.1, 1.2.1, 1.3.3, 1.4.1, 1.4.2, 1.5.2, 2.1.1, 2.1.2, 2.1.3, 2.1.4, 2.1.5, 2.2.1, 2.2.2, 2.2.3, 2.2.4	1, 2, 3, 4, 5, 6, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 78, 86, 114, 121, 122, 123	OGP_ECY35Water Quality - National Estuary Program (NEP) Stormwater SI	1, 29, 30, 31, 32, 33, 36, 38, 39, 40, 41, 47, 48	Authority to spend federal leveraging funds		\$ 10,000,000	\$ 10,000,000

Department of Ecology 2024 Supplemental Operating Budget Requests Supporting the Puget Sound Action Agenda

September 11, 2023

Decision Package	Vital Signs	Strategies	Targets	Desired Outcomes	Actions	Ongoing Program	Orca Task Force Recommendation	Federal Leveraging	Local Leveraging	Puget Sound Dollars	Total Request Dollars
5. PL PE Modernize Surface Water Mapping	Freshwater Marine Water Streams and Floodplains Estuaries Forests and Wetlands Good Governance	2. Working Lands 4. Riparian Areas 5. Floodplains and Estuaries 6. Fish Passage Barriers 7. Freshwater Availability 9. Source Identification and Correction 10. Stormwater Runoff and Legacy Contamination 12. Working Lands Runoff 13. Oil Spills 18. Awareness of Effects of Climate Change 20. Climate Adaptation and Resilience B. Strategic Leadership & Collaboration C. Research & Monitoring	<ul style="list-style-type: none">• 4,140 acres of working lands protected or improved• Fund 4,554 acres of floodplain or estuary habitat restoration or reconnection• Support 1,340 homes or structures with reduced flood or climate risk• 675 acres of riparian buffer installed in Puget Sound agricultural areas• Fund 6,000 acres of salmon habitat protection or restoration projects• Fund the installation of best management practices in agricultural areas in Puget Sound with a cumulative effectiveness index of over 680 acres, 99,512 linear feet, and 2,748 units	1.1.1, 1.1.2, 1.1.3	3, 10, 11, 12, 18, 19, 20, 28, 36, 64, 122, 123, 131, 137, 149, 152, 182, 188, 201		1, 35, 41	We are working with USFS to fund updates within U.S. Forest Service lands, and will be applying for the USGS Data Collaboration Announcement (DCA). We will also be looking for opportunities to apply for EPA funds in the future. The state funding requested in our DP will be able to be used as match, as needed, for potential federal funding in the future.		\$ 2,976,000	\$ 3,307,000
6. PL PG Nutrient Credit Trading	Marine Water	11. Wastewater Systems		2.2.1, 2.2.4	37	OGP_ECY34Water Quality - Control Stormwater and Wastewater Pollution	39			\$ 410,000	\$ 410,000
7. PL PA Certifying Financial Responsibility	Salmon Toxins in Aquatic Life	13 - Oil Spills - Prevent oil spills and plan and prepare to respond to any that occur		2.4.1	65	OGP_ECY27Spill Preparedness	24			\$ 412,000	\$ 588,000
Total Operating Request in Support of the Puget Sound Action Agenda										\$ 37,975,800	