

Multiple Agency Fiscal Note Summary

Bill Number: 1010 2S HB	Title: Shellfish sanitary control
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Health	0	0	0	0	0	792,000	0	0	792,000
Total \$	0	0	0	0	0	792,000	0	0	792,000

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Health	2.2	785,000	785,000	785,000	2.6	0	0	787,000	2.3	0	0	701,000
Department of Fish and Wildlife	Fiscal note not available											
Total \$	2.2	785,000	785,000	785,000	2.6	0	0	787,000	2.3	0	0	701,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Health	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

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Prepared by: Breann Boggs, OFM	Phone: (360) 485-5716	Date Published: Preliminary 1/31/2024
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Individual State Agency Fiscal Note

Bill Number: 1010 2S HB	Title: Shellfish sanitary control	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Private/Local 001-7				792,000	792,000
Total \$				792,000	792,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	4.3	2.2	2.6	2.3
Account					
General Fund-State 001-1	5,000	780,000	785,000	0	0
General Fund-Private/Local 001-7	0	0	0	787,000	701,000
Total \$	5,000	780,000	785,000	787,000	701,000

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact:	Phone:	Date: 01/18/2024
Agency Preparation: Katie Osete	Phone: 3602363000	Date: 01/25/2024
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/25/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/26/2024

Part II: Narrative Explanation

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

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

This fiscal note has been updated to reflect the Department of Health's (DOH) streamlined processes, requirement for environmental justice assessments for rulemaking, and collaboration with other agency partners.

Section 1: This section gives DOH the authority to develop a new program to regulate commercial crab with respect to biotoxin contamination. It also gives the State Board of Health (SBOH) authority to adopt rules regulating commercial crab harvesting, tracking, and recalls by June 30, 2025.

Section 2: This section adds a null and void clause to the act if specific funding is not provided by June 30, 2023.

Section 3: This section states the act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions and takes effect immediately.

II. B - Cash receipts Impact

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

Current law RCW 43.70.250 (License fees for professions, occupations, and businesses.) requires that the programs administered by DOH be fully self-supporting and that sufficient revenue be collected through fees to fund the cost of administering the program.

For the purposes of this fiscal note, the crabber licensing fee would be modeled after WDFW commercial licenses that affect crab. These licenses include Puget Sound Harvester, Coastal Harvester, Fish Dealer, Wholesale Fish Buyer, and Limited Fish Seller. DOH estimates costs increases for these license types to range from \$266 to \$278 annually for 1,450 license holders. During the rulemaking process, a fee study is prepared and provided for stakeholder input. DOH will monitor the program fund balance and adjust fees to ensure revenues are sufficient to cover all program expenditures.

Revenue collection will begin July 1, 2026.

FY 2026 \$396,000

FY 2027 \$396,000

FY 2028 \$396,000

FY 2029 \$396,000

II. C - Expenditures

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

RULEMAKING

Starting in FY 2024, DOH will support SBOH rulemaking to comply with the bill. Costs to DOH include rulemaking, program administration, testing, staff time to work with WDFW on database updates, and disciplinary activities.

Starting in FY 2024, costs for rulemaking will be \$5,000 GFS, and in FY2025 2.1 FTE and \$316,000 GFS. (Detail below)

PROGRAM ADMINISTRATION

DOH anticipates program administration activities to begin in FY2026, once rulemaking is complete.

FY2026 and ongoing: 1.2 FTE and \$203,000 (Private/Local)

- EP5, 0.5 FTE per FY: Leadership and guidance in biotoxin monitoring, ongoing crab stakeholder engagement and interagency meetings, managing complaints. Direct supervision of PHA3.
- PHA3, 0.5 FTE per FY: Collection of crab samples, coordinate samples with WDFW, tribes, and Public Health Laboratories (PHL). Staff will also process results, post results, data analysis, issue advisories and closures, and oversee crab licenses.
- HSC1, 0.2 FTE per FY: Staff will be responsible for annual licensing and billing of crab licenses.

TESTING

The Public Health Laboratories (PHL) will provide the testing needed to assess levels of biotoxin contamination in crabs for monitoring activities as well as to prepare so that if elevated biotoxin levels are found in crab; additional testing can be supported.

To establish additional monitoring activities and to prepare for seasons with elevated biotoxin levels where additional biotoxin testing is required, the PHL Biotoxin Lab will need:

- Additional FTEs to prepare, analyze, and report results for the extra samples. This will allow the lab to respond to events where increased testing is needed once elevated domoic acid levels are determined in crab.
- A one-time purchase for one High/Ultra High-Performance Liquid Chromatograph with a diode-array detector (DAD) \$120,000 ahead of the first testing season. This item is necessary to test for domoic acid which causes Amnesic Shellfish Poisoning (ASP). Testing is required and the method is prescribed by the Food and Drug Administration (FDA) and the Interstate Shellfish Sanitation Conference (ISSC). The instrument must also be validated, and the method verified that it is fit for use and demonstrates it can produce accurate data.
- Laboratory goods and services costs for the additional crab samples will need to be funded. Seasons with increased biotoxin levels have shown that the lab must prepare for the potential need to test at least 500 additional crabs per year. These items include gloves and other protective gear for the staff, chemicals, certified reference standards, sample preparation items such as shucking knives, blender jars, and other general laboratory supplies. Instrument service contract costs (approximately \$10,000 per year with a first-year cost of \$4000 for preventative maintenance as the instrument is under warranty) are needed to assure the instrument is operating correctly and the data produced is accurate.

Testing costs are:

FY 2025: 0.2 FTE and \$182,000 (GFS)

FY 2026: 0.5 FTE and \$96,000 (Private/Local)

FY 2027: 0.5 FTE and \$99,000 (Private/Local)

FY 2028: 0.5 FTE and \$100,000 (Private/Local)

FY 2029 and ongoing: 0.5 FTE and \$102,000 (Private/Local)

DATABASE

To implement the regulations that DOH sets forward, staff must develop a new external application for Crab License and Compliance/Enforcement to keep track of commercial crabbing companies (owner, location of harvest, contact information, etc.). This database will store and receive data that will be used by internal staff and external customers. New requirements must also be integrated into DOH's existing Sample Shellfish Web Application and Database. Work will include elicitation and documentation, development of accepted requirements, testing of those requirements, draft user guides of the application(s), and user acceptance testing, as well as ongoing system maintenance.

Database costs are:

FY 2025: 2.0 FTE and \$282,000 (GFS)

- MA5, .5 FTE
- IT Application Development – Journey, .5 FTE
- IT Business Analyst – Journey, .2 FTE
- IT Quality Assurance - Journey, .3 FTE

FY 2026 and 2027 0.6 FTE and \$93,000 (Private/Local)

- MA5, .2 FTE
- IT Application Development – Journey, .1 FTE
- IT Business Analyst – Journey, .1 FTE
- IT Quality Assurance - Journey, .1 FTE

FY 2028: 0.5 FTE and \$76,000 (Private/Local)

- MA5, .1 FTE
- IT Application Development – Journey, .1 FTE
- IT Business Analyst – Journey, .1 FTE
- IT Quality Assurance - Journey, .1 FTE

FY 2029 and ongoing: 0.1 FTE and \$17,000 (Private/Local)

- MA5, .1 FTE

DISCIPLINE

Based on experience in other shellfish programs, DOH assumes disciplinary actions will be coordinated with WDFW. Rulemaking will include enforcement standards and a matrix for assessing penalties. DOH assumes that coupling the memorandum of understanding with WDFW and updating rulemaking language to eliminate individual evisceration orders, costs for disciplinary actions can be managed within the resources identified in program management. DOH will monitor the cost of disciplinary actions and adjust fees to ensure revenues are sufficient to cover disciplinary costs.

The total costs of this fiscal note are:

- FY2024: \$5,000 (GFS)
- FY2025: 4.3 FTE and \$780,000 (GFS)
- FY2026: 2.6 FTE and \$392,000 (Private/Local)
- FY2027: 2.6 FTE and \$395,000 (Private/Local)
- FY2028: 2.5 FTE and \$379,000 (Private/Local)
- FY2029 and ongoing: 2.1 FTE and \$322,000 (Private/Local)

Total costs can include staff, associated expenses (including goods and services, travel, intra-agency, and indirect/overhead costs).

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	5,000	780,000	785,000	0	0
001-7	General Fund	Private/Local	0	0	0	787,000	701,000
Total \$			5,000	780,000	785,000	787,000	701,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		4.3	2.2	2.6	2.3
A-Salaries and Wages	3,000	387,000	390,000	428,000	371,000
B-Employee Benefits	1,000	136,000	137,000	156,000	137,000
E-Goods and Other Services	1,000	101,000	102,000	163,000	158,000
G-Travel		4,000	4,000		
J-Capital Outlays		120,000	120,000		
T-Intra-Agency Reimbursements		32,000	32,000	40,000	35,000
Total \$	5,000	780,000	785,000	787,000	701,000

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
ADMINISTRATIVE ASST 3	52,620		0.2	0.1		
CHEMIST 2	74,376		0.1	0.1	0.2	0.2
ENVIRONMENTAL PLANNER 5	102,540				0.5	0.5
Fiscal Analyst 2	53,000		0.6	0.3	0.4	0.4
HEALTH SERVICES CONSULTANT 1	58,104				0.2	0.2
Health Svcs Conslt 1	53,000		0.3	0.2	0.1	0.1
IT APPLICATION DEVELOPMENT JOURNEY	104,028		0.5	0.3	0.1	0.1
IT BUSINESS ANALYST - JOURNEY	104,028		0.2	0.1	0.1	0.1
IT QUALITY ASSURANCE - JOURNEY	104,028		0.3	0.2	0.1	0.1
LABORATORY TECHNICIAN 1	55,224		0.1	0.1	0.2	0.2
MANAGEMENT ANALYST 5	95,184		1.5	0.8	0.2	0.1
PUBLIC HEALTH ADVISOR 3	78,120				0.5	0.5
WMS02	118,932		0.5	0.3		
Total FTEs			4.3	2.2	2.6	2.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

None

Part V: New Rule Making Required

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

Section 1: The SBOH, in collaboration with DOH, will need to adopt rules to implement this bill.

SBOH and DOH anticipates rulemaking will begin April 1, 2024, and end June 30, 2025, the date the bill requires rulemaking to be completed by. This is a currently unregulated industry, which is not subject to the current commercial shellfish sanitation rules. This will require the establishment of a new chapter of rules specifically focused on commercial crab fisheries. The new chapter of rules qualifies as “legislatively significant” under the Administrative Procedures Act and will require an environmental justice assessment in accordance with the HEAL Act, a cost benefit analysis, and a small business economic impact statement in accordance with the Regulatory Fairness Act. SBOH will work in close collaboration with DOH, local health jurisdictions, the crab industry, tribes, WDFW, Department of Agriculture, subject matter experts, and diverse communities impacted by the rules. In coordination with the SBOH, DOH assumes it will need to assist with rulemaking and stakeholder engagement.

Rulemaking preparation in FY 2024 will include Management Analyst 5 to draft the required documents, present at the April or June SBOH meeting, and have the CR-101 filed.

0.5 FTE of a WMS2 for FY 2025. As program supervisor this individual will be involved with rulemaking development, stakeholder meetings, interagency meetings, and Office of Attorney General (ATG) coordination. This position will also support engagement and environmental justice assessment activities. They will also provide programmatic expertise in relation to what is known about biotoxin in crab, safe levels of biotoxin, what is currently done with biotoxin, and how DOH has interacted with other agencies, tribes, and industry. This position will also be involved with setting fee rates.

1.0 FTE Management Analyst 5 for FY 2025. SBOH will be responsible for managing the rule development process. Staff will be responsible for drafting the rules, completing the statutorily mandated analyses, conducting cost surveys, engaging with subject matter experts, and leading community engagement and outreach for rulemaking efforts; identifying potential agencies, organizations, coalitions, groups, and community leaders who may have an interest in the rules; and seeking input and feedback from tribes, industry members, community organization members. Rulemaking will consist of six stakeholder meetings, as well as one formal rules hearing. SBOH anticipates a complex rulemaking process given the anticipated number of interested parties and the importance of the commercial crabbing industry to Washington State.

0.2 FTE Administrative Assistant 3 for FY 2025 for SBOH and DOH to assist throughout the rulemaking process. Staff will help coordinate meetings, provide consultation and technical assistance to SBOH and DOH staff on culturally relevant meeting locations and logistics to maximize community participation; and identify and address problems with language access and equity. This position will also be involved with setting fee rates. They will also help assist in the implementation of the rule, reviewing communications and materials to assure they are culturally and linguistically appropriate for the intended audience.

SBOH estimates \$10,000 for ATG support time for reviewing rules to assure they meet minimum public health and safety requirements, and federal shellfish protection requirements.

SBOH and DOH anticipate this rulemaking requiring numerous virtual sessions with interested and impacted parties and four in-person meetings.

Travel:

- Meeting locations are intended to be free or low cost, must be American Disabilities Act (ADA) compliant and will be based on the outreach coordinator recommendations. These meetings may be held in the evenings to allow greater community engagement.
- In-person meetings will be held in locations near current crab fishery areas such as Port Angeles, Westport/Ocean Shores,

Hood Canal, and Puget Sound.

- Staff will carpool using state vehicles and personal vehicles.

Costs included in Travel (total travel \$3,238 for fiscal note):

- Average per diem lunch \$20, or \$65 for meals all day.
- Average per diem meals and lodging average of \$185 per day.
- POV \$0.65 per mile.

SBOH and DOH anticipates \$5,000 for translation services to increase access and community involvement.

Rulemaking costs will be:

FY2024: 0.0 FTE and \$5,000 (GFS)

FY2025: 2.1 FTE and \$316,000 (GFS)



Ten-Year Analysis

Bill Number 1010 2S HB	Title Shellfish sanitary control	Agency 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Private/Local (Shellfish License Fees)	001			396,000	396,000	396,000	396,000	396,000	396,000	396,000	396,000	3,168,000
Total				396,000	396,000	396,000	396,000	396,000	396,000	396,000	396,000	3,168,000
Biennial Totals				792,000		792,000		792,000		792,000		3,168,000

Narrative Explanation (Required for Indeterminate Cash Receipts)

Current law RCW 43.70.250 (License fees for professions, occupations, and businesses.) requires that the programs administered by DOH be fully self-supporting and th sufficient revenue be collected through fees to fund the cost of administering the program.

For the purposes of this fiscal note, the crabber licensing fee would be modeled after WDFW commercial licenses that affect crab. These licenses include Puget Sound Harvester, Coastal Harvester, Fish Dealer, Wholesale Fish Buyer, and Limited Fish Seller. DOH estimates costs increases for these license types to range from \$266 to \$278 annually for 1,450 license holders. During the rulemaking process, a fee study is prepared and provided for stakeholder input. DOH will monitor the program fund balance and adjust fees to ensure revenues are sufficient to cover all program expenditures.

Revenue collection will begin July 1, 2026.

FY 2026 \$396,000
 FY 2027 \$396,000
 FY 2028 \$396,000
 FY 2029 \$396,000
 FY 2030 \$396,000
 FY 2031 \$396,000



Ten-Year Analysis

Bill Number 1010 2S HB	Title Shellfish sanitary control	Agency 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp> .

Narrative Explanation (Required for Indeterminate Cash Receipts)

FY 2032 \$396,000 FY 2033 \$396,000
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Agency Preparation: Katie Osete	Phone: 3602363000	Date: 1/25/2024 3:46:15 pm
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 1/25/2024 3:46:15 pm
OFM Review:	Phone:	Date: