

Multiple Agency Fiscal Note Summary

Bill Number: 6039 E S SB	Title: Geothermal energy resources
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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 Natural Resources	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

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 Commerce	.6	198,686	198,686	198,686	.6	397,372	397,372	397,372	.0	0	0	0
Department of Archaeology and Historic Preservation	.3	64,135	64,135	64,135	.5	119,270	119,270	119,270	.5	0	0	0
Department of Ecology	1.1	0	0	1,053,612	1.2	0	0	1,085,573	.0	0	0	0
Department of Ecology	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Fish and Wildlife	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Natural Resources	2.6	862,400	862,400	862,400	5.2	1,624,000	1,624,000	1,624,000	5.2	1,624,000	1,624,000	1,624,000
Total \$	4.6	1,125,221	1,125,221	2,178,833	7.5	2,140,642	2,140,642	3,226,215	5.7	1,624,000	1,624,000	1,624,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	4.1	542,403	542,403	6.0	1,041,618	1,041,618	.0	0	0
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Department of Archaeology and Historic Preservation	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
Total \$	4.1	542,403	542,403	6.0	1,041,618	1,041,618	0.0	0	0

Estimated Capital Budget Breakout

Agency Name	2023-25	2025-27	2027-29
	Total	Total	Total
Department of Commerce			
Staff	542,403	1,041,618	0
	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.		
Total \$	542,403	1,041,618	0

Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Final 2/23/2024
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Individual State Agency Fiscal Note

Revised

Bill Number: 6039 E S SB	Title: Geothermal energy resources	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	1.2	0.6	0.6	0.0
Account					
General Fund-State 001-1	0	198,686	198,686	397,372	0
Total \$	0	198,686	198,686	397,372	0

Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Pre-design/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	0	0	0	0	0
Staff	0	542,403	520,809	520,809	0	0
Other	0	0	0	0	0	0
Total \$	0	542,403	520,809	520,809	0	0

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

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: Robert Hatfield	Phone: 360-786-7117	Date: 02/12/2024
Agency Preparation: Joseph Piper	Phone: 360-725-3042	Date: 02/23/2024
Agency Approval: Joseph Piper	Phone: 360-725-3042	Date: 02/23/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/23/2024

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.

Major differences between the senate bill and the engrossed substitute senate bill:

In Section 3, removes the matching funds that were previously required of tribal applicants specifies that grant awards must be available to private, public, and federally recognized tribal applicants. Also requires that grant applicants consult with Ecology and comply with underground injection control standards and groundwater antidegradation standards, if applicable

In Section 4, extends the collaborative process by a year and makes the interim report due 6/30/26 and the final report due 6/30/27. Directs the Clean Energy Siting Coordinating Council to support the collaborative process and consider the report findings to make recommendations to the legislature and governor on potential actions regarding the development of geothermal energy, as appropriate. The Council must identify key factors to consider in planning and siting of geothermal facilities including geologic suitability, water resource impacts, and proximity to electrical transmission and distribution infrastructure. Also adds the Department of Fish and Wildlife, and the Department of Archaeology and Historic Preservation to the collaborative process.

Summary of the engrossed substitute senate bill:

New Section 1 of the bill directs the Washington Geologic Survey to gather and publish in a database, subsurface data on geothermal resources in Washington and to characterize the risk of induced seismicity in areas with high potential for geothermal energy production.

Section 2 of the bill directs DNR to update lease rates for geothermal energy so that Washington's lease rates are competitive with those of other western states and the federal government.

New Section 3 of the bill directs the Department of Commerce (department) to create a competitive grant program to encourage exploration of geothermal resources in Washington. Grants may be provided to offset the costs of deep exploratory drilling for geothermal resources. The bill lays out a number of requirements for the program and directs the department to consult with the WA Geologic Survey in the program's development. It also requires the department to make reasonable effort to utilize U.S. Department of Energy's recommendations and guidelines concerning enhanced geothermal demonstration projects in the western states.

Section 4 directs the Department of Ecology (Ecology), in consultation with the Department of Natural Resources (DNR), the Department of Fish and Wildlife, the Department of Archeology and Historic Preservation, and the department to engage in a collaborative process to identify opportunities and risks in developing geothermal resources in three locations with the highest geothermal potential in Washington. The bill also directs Ecology to engage with a number of potentially impacted and interested groups and to consult with potentially affected Indian tribes, including providing grants to support tribes' evaluation of the impacts of geothermal electricity development. The collaborative process must evaluate impacts of geothermal energy production on endangered species, overburdened communities, rights, interests, and resources including tribal cultural resources. The Siting Coordinating Council must consider the report findings from the collaborative process to make recommendations to the legislature and governor on potential actions regarding the development of geothermal energy.

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.

None.

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.

Section 4 — Collaborative Process

The Department of Ecology must commence the geothermal resources collaborative process which the department is directed to participate in by November 30, 2024. The bill directs Ecology to submit a final report by June 30, 2027.

The Clean Energy Siting Coordinating Council is directed to support the collaborative process and consider the report findings to make recommendations to the legislature and governor on potential actions regarding the development of geothermal energy, as appropriate. After discussion with Ecology, the department assumes that additional staffing for work undertaken by the Clean Energy Siting Coordinating Council is not needed as the Council is already tasked and funded to develop recommendations broadly for clean energy.

To accomplish the work under the collaborative process, the department estimates:

0.50 FTE EMS2 Senior Energy Policy Specialist (1,044 hours) in FY25-FY27 to engage in the collaborative process led by Ecology to identify opportunities and risks associated with the development of geothermal resources.

0.50 FTE EMPS3 Emergency Management Program Specialist (1,044 hours) in FY25-FY27 to support the identification of risks associated with the development of geothermal resources.

Salaries and Benefits

FY25-FY27: \$142,244 per fiscal year

Goods and Services, Equipment and Travel

FY25-FY27: \$9,644 per fiscal year

Intra-Agency Reimbursements

FY25-FY27: \$46,798 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

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Total Costs

FY25-FY27: \$198,686 (per fiscal year)

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	0	198,686	198,686	397,372	0
Total \$			0	198,686	198,686	397,372	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		1.2	0.6	0.6	
A-Salaries and Wages		107,662	107,662	215,324	
B-Employee Benefits		34,582	34,582	69,164	
C-Professional Service Contracts					
E-Goods and Other Services		9,644	9,644	19,288	
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		46,798	46,798	93,596	
9-					
Total \$	0	198,686	198,686	397,372	0

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Services Indirect	111,168		0.2	0.1	0.1	
EMPS3	86,212		0.5	0.3	0.3	
EMS2	122,841		0.5	0.3	0.3	
Total FTEs			1.2	0.6	0.6	0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
057-1	State Building Construction Account	State	0	542,403	542,403	1,041,618	0
Total \$			0	542,403	542,403	1,041,618	0

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

IV. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		8.2	4.1	6.0	
A-Salaries and Wages		271,544	271,544	543,088	
B-Employee Benefits		97,251	97,251	194,502	
C-Professional Service Contracts					
E-Goods and Other Services		30,680	30,680	61,360	
G-Travel		6,594	6,594		
J-Capital Outlays		15,000	15,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		121,334	121,334	242,668	
9-					
Total \$	0	542,403	542,403	1,041,618	0

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

IV. C - Capital Budget Breakout

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

Construction Estimate	FY 2024	FY 2025	2023-25	2025-27	2027-29
Predesign/Design					
Construction					
Grants/Loans					
Staff		542,403	542,403	1,041,618	
Other					
Total \$		542,403	542,403	1,041,618	

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

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Services Indirect	111,168		5.0	2.5	2.8	
Commerce Specialist 2	70,799		1.0	0.5	1.0	
Commerce Specialist 3	82,056		1.0	0.5	1.0	
EMS2	122,841		0.2	0.1	0.2	
Management Analyst 4	86,212		1.0	0.5	1.0	
Total FTEs			8.2	4.1	6.0	0.0

The capital budget impacts of this program are indeterminate since the bill states that the new grant program at Commerce is “subject to the availability of amounts appropriated for this purpose”.

Section 3 — Geothermal Exploration Grant Program

The department assumes that the geothermal exploration grant program would be funded in the capital budget in Fiscal Year (FY) 2025 but the amount of funding for this program is unknown at this time. The type of complex drilling projects that will be eligible for the grant program could not be completed in a year so the department estimates that funding would be reappropriated in the FY26-FY27 biennium.

To accomplish the work the department estimates:

1.0 FTE Commerce Specialist 3 (2088 hours) in FY25-FY27 to develop, solicit, originate, manage and monitor competitive

grant process and contracts, and provide evaluation and subject matter expertise on grant program, monitor budget and expenditures, conduct detailed analysis, and provide consultative planning for program established in this bill.

1.0 FTE Commerce Specialist 2 (2088 hours) in FY25-FY27 to provide coordination support, contract management, contract monitoring, invoicing, and data entry.

1.0 FTE Management Analyst 4 (2088 hours) in FY 25-FY27 to gain technical expertise on geothermal exploratory drilling to support the development and implementation of the grant program. This position will also lead the environmental justice assessment and community engagement process required under the Healthy Environment for All (HEAL) Act, RCW 70A.02.

0.20 FTE EMS2 Senior Energy Policy Specialist (417 hours) in FY25-FY27 to provide subject matter expertise and expert policy advice in coordinating development of the program.

0.10 Budget Analyst 4 (208 hours) in FY25-FY27 to provide or develop the capacity to eventually monitor budget and expenditures, conduct detailed analysis, and provide consultative planning for the grant program established in this bill.

Salaries and Benefits

FY25-FY27: \$381,056 per fiscal year

Goods and Services

FY25-FY27: \$31,641 per fiscal year

Equipment and Travel

The department assumes the purchase of three standard workstations for the new staff in FY25.

The department assumes travel for two staff to attend two in person meetings to support community engagement in FY25.

The department also assumes that one staff member will travel to the Geothermal Rising Conference in FY25 to gain insights on geothermal exploratory drilling practices.

FY25: \$21,594

Intra-Agency Reimbursements

FY25-FY27: \$125,367 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

Total Costs

FY25: \$559,658

FY26-FY27: \$538,064 per fiscal year

Part V: New Rule Making Required

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

None.

Individual State Agency Fiscal Note

Bill Number: 6039 E S SB	Title: Geothermal energy resources	Agency: 355-Department of Archaeology and Historic Preservation
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.5	0.3	0.5	0.5
Account					
General Fund-State 001-1	0	64,135	64,135	119,270	0
Total \$	0	64,135	64,135	119,270	0

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Robert Hatfield	Phone: 360-786-7117	Date: 02/12/2024
Agency Preparation: Seth Flory	Phone: 360-407-8165	Date: 02/21/2024
Agency Approval: Seth Flory	Phone: 360-407-8165	Date: 02/21/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/21/2024

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.

Senate Bill 6039 makes several stipulations regarding the development of state geothermal resources.

Relevant to the Department of Archaeology and Historic Preservation (DAHP) is section 4 which directs the agency to participate in the geothermal resources collaborative process. DAHP's would principally lead consultation and communication with potentially affected Indian tribes. The collaborative process is set to begin in fiscal year 2024 and conclude at the end of fiscal year 2027.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

The DAHP will need approximately .5 FTE for a commerce specialist 3 to participate in geothermal resources collaborative process the through fiscal year 2027.

A Commerce Specialist 3 makes \$82,056 per year, plus related benefits estimated at \$29,220 per year, at current benefits rates. The agency needs a .5 FTE Commerce Specialist 3, so the salary would be \$42,259 per fiscal year. Related benefits would total \$14,610 per fiscal year.

Goods and services for the total .5 FTE are estimated at \$2,766 per fiscal year for communications, payroll processing, training, supplies and other staff costs. An amount of \$4,500 is also needed in fiscal year 2025 for computer equipment and furniture.

See the attached FTE Fiscal Analysis for a more detailed breakdown of fiscal impacts.

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	0	64,135	64,135	119,270	0
Total \$			0	64,135	64,135	119,270	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.5	0.3	0.5	0.5
A-Salaries and Wages		42,259	42,259	84,518	
B-Employee Benefits		14,610	14,610	29,220	
C-Professional Service Contracts					
E-Goods and Other Services		2,766	2,766	5,532	
G-Travel					
J-Capital Outlays		4,500	4,500		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	64,135	64,135	119,270	0

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Commerce Specialist 3	82,056		0.5	0.3	0.5	0.5
Total FTEs			0.5	0.3	0.5	0.5

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Estimated New Employee Costs

Summary	FY24	FY25	FY26	FY27	FY28	FY29
Salary	\$0	\$42,259	\$42,259	\$42,259	\$0	\$0
Benefits	\$0	\$14,610	\$14,610	\$14,610	\$0	\$0
Goods & Services	\$0	\$2,766	\$2,766	\$2,766	\$0	\$0
Equipment	\$0	\$4,500	\$0	\$0	\$0	\$0
Central Services	\$0	\$0	\$0	\$0	\$0	\$0
TOTALS	\$0	\$64,135	\$59,635	\$59,635	\$0	\$0

Salaries: (A)	Range	Salary/mo	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
CS3	58L	\$6,838	0.0	\$0	0.5	\$42,259	0.5	\$42,259	0.5	\$42,259
Position 2		\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Total Salary			0.0	\$0	0.5	\$42,259	0.5	\$42,259	0.5	\$42,259

Benefits: (B)	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
OASI	6.20%		\$0		\$2,620		\$2,620		\$2,620
Retirement (PERS employer rate 9/1/22)	9.53%		\$0		\$4,027		\$4,027		\$4,027
Industrial Insurance									
Class 4902 - Office Workers	\$420	0.0	\$0	0.5	\$210	0.5	\$210	0.5	\$210
Health Insurance (FY24 \$1,145/mo, FY25 \$1,190/mo.)	\$1145/\$1190	0.0	\$0	0.5	\$7,140	0.5	\$7,140	0.5	\$7,140
Medicare	1.45%		\$0		\$613		\$613		\$613
Total Benefits			\$0		\$14,610		\$14,610		\$14,610

Goods & Services:	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
Supplies (EA)	\$400	0.0	\$0	0.5	\$200	0.5	\$200	0.5	\$200
Communications (EB)									
Phone Line	\$540	0.0	\$0	0.5	\$270	0.5	\$270	0.5	\$270
Switched Long Distance Service	\$125	0.0	\$0	0.5	\$63	0.5	\$63	0.5	\$63
Voice Mail	\$54	0.0	\$0	0.5	\$27	0.5	\$27	0.5	\$27
Other (cell phone, pager, etc.)	\$1,080	0.0	\$0	0.5	\$540	0.5	\$540	0.5	\$540
Printing (Business Cards) (EF)	\$25	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Training (EG)	\$1,000	0.0	\$0	0.5	\$500	0.5	\$500	0.5	\$500
Data Processing (EL)									
Internet - VPN Soft/Cert	\$108	0.0	\$0	0.5	\$54	0.5	\$54	0.5	\$54
Network/Desktop/Phone Support	\$0	0.0	\$0	0.5	\$0	0.5	\$0	0.5	\$0
Email,Vault license & Filtering	\$78	0.0	\$0	0.5	\$39	0.5	\$39	0.5	\$39
Vault Storage - 2GB per person	\$30	0.0	\$0	0.5	\$15	0.5	\$15	0.5	\$15
Payroll Processing	\$240	0.0	\$0	0.5	\$120	0.5	\$120	0.5	\$120
Personnel Service Fee (EN-0001)	0.8%		\$0		\$338		\$338		\$338
Software Licenses (EY)	\$600	0.0	\$0	1.0	\$600	1.0	\$600	1.0	\$600
One-time Costs:									
Internet - VPN - One time set up fee (EL)	\$180	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Phone Line/Data Cable Installation (ER)	\$300	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Total Goods & Services			\$0		\$2,766		\$2,766		\$2,766

Central Services	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
Small Agency Human Resources (EN)	\$1,670	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Small Agency Financial Services (EK)	\$2,435	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Public & Historic Facilities (EK) (if new FTE)	\$94	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Office of Chief Information Officer (EL)	\$75	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
State Data Network (EL)	\$132	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
State Data Center (EL)	\$183	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Enterprise Systems Rates (EL)	\$377	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Enterprise Security (EL)	\$44	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
WaTech Network/Desktop/Phone Support (EL)	\$9,661	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Real Estate Services (EK)	\$86	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
DES Risk Management Fee (EP)	\$45	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
OFM Central Services (ER)	\$144	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Total Central Services			\$0		\$0		\$0		\$0

Equipment: (J)	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
Desk	\$2,000	0.0	\$0	1.0	\$2,000	0.0	\$0	0.0	\$0
Desk Chair	\$500	0.0	\$0	1.0	\$500	0.0	\$0	0.0	\$0
Side Chair	\$225	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
File Cabinet	\$300	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Bookcase	\$300	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Laptop w/Dock, Cable, Mouse, Keyboard	\$2,000	0.0	\$0	1.0	\$2,000	0.0	\$0	0.0	\$0
Phone	\$155	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Total Equipment			\$0		\$4,500		\$0		\$0

Individual State Agency Fiscal Note

Bill Number: 6039 E S SB	Title: Geothermal energy resources	Agency: 461-Department of Ecology
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	2.2	1.1	1.2	0.0
Account					
Climate Commitment Account-State 26C-1	0	1,053,612	1,053,612	1,085,573	0
Total \$	0	1,053,612	1,053,612	1,085,573	0

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

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- 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: Robert Hatfield	Phone: 360-786-7117	Date: 02/12/2024
Agency Preparation: Jessica Moore	Phone: 360-529-7583	Date: 02/14/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/14/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/22/2024

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.

The differences between SSB 6039 and ESSB 6039 are as follows:

Section 3 is amended to:

- require Commerce grant awards be available to private, public, and federally recognized Tribal applicants.
- require grant applicants to consult with Ecology and comply with underground injection control standards and groundwater antidegradation standards as directed in chapter 90.48 RCW, if any fluid is proposed to be injected as part of exploratory drilling.

Section 4 is amended to:

- require Ecology to consult with the Department of Fish and Wildlife (DFW) and the Department of Archaeology and Historic Preservation (DAHP) as part of the collaborative process.
- require Ecology to seek participation from other state agencies as appropriate when engaging in meaningful government-to-government consultation with potentially affected federally recognized Indian Tribes.
- continuity between groundwater and surface water resources would be required to be considered when developing factors to guide the identification of preferable sites for the development of geothermal resources.
- move the date by which Ecology would be required to submit an update on the status of the collaborative process to June 30, 2026. The second update on the status would no longer be required. The date by which the final report would be due would be moved to June 30, 2027.
- The interagency clean energy siting coordinating council would be required to support Ecology during the collaborative process, consider the findings of the interim update and final report and make recommendations to the Legislature and the Governor, and identify key factors for consideration in planning and siting geothermal facilities.

The change in section 4 to the report dates results in a change to the fiscal impact for Ecology.

Under current law, Ecology is involved in various aspects of clean energy siting and permitting. RCW 43.394.010 requires Ecology to co-chair an interagency clean energy siting coordination council. The council is responsible for identifying actions to improve siting and permitting of clean energy projects. RCW 43.158.100 requires Ecology to lead a coordinated process for clean energy projects.

This bill would require DNR, Commerce, Ecology, WDFW, and DAHP to work on efforts to support the exploration and development of geothermal resources.

Section 1 would add a new section to chapter 43.92 RCW (Geological Survey) that would require DNR to compile and maintain a database of geologic information. DNR would be required to coordinate with federal, state, and local agencies to compile existing subsurface geologic information, analyze new subsurface geologic data and update deficient data, characterize the hazard of induced seismicity for high-potential geothermal areas, and provide technical assistance.

Section 2 would amend RCW 79.13.530 (Land Leases) to require DNR to begin rulemaking by September 30, 2024, to update geothermal resources lease rates.

Section 3 would add a new section to chapter 79.02 RCW (Public Lands Management) to require Commerce, in consultation with DNR, to implement a competitive cost-share grant program for geothermal exploration.

Section 4 would require Ecology, in consultation with Commerce, DNR, WDFW, and DAHP to identify opportunities and risks associated with the development of geothermal resources in three locations, identified by DNR, with the highest

geothermal potential in Washington state. Ecology would be required to engage in consultation with Tribes and would need to learn from each participating Tribe their specific communication protocols for consultation. Additional consultation would be required with the DAHP, local governments, state research institutions, environmental organizations, other agencies as appropriate, and participants in Washington’s electrical generation, transmission, and distribution sectors. Ecology would be authorized to include additional participation from independent subject matter experts at the request of potentially affected federally recognized Indian Tribes. This process would be required to begin by November 30, 2024. Ecology would be required to provide an interim legislative report by June 30, 2026, and a final legislative report by June 30, 2027. Furthermore, Ecology would be required to provide grants to potentially affected federally recognized Indian Tribes to support their evaluation of cultural, natural resource, and other impacts from geothermal electricity development and to support their participation in the collaborative process. The interagency clean energy siting coordinating council would be required to support Ecology during the collaborative process, consider the findings of the interim update and final report, make recommendations to the Legislature and the Governor, and identify key factors for consideration in planning and siting geothermal facilities.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

The expenditure impact to Ecology to run the collaborative process required under section 4 and to identify factors, impacts and analysis for the three locations identified by DNR is estimated to be greater than \$50,000 in Fiscal Year (FY) 2025 and 2026, and less than \$50,000 in FY 2027. The cost of a consultant contract to complete data gathering necessary to identify factors for developing sites and potential impacts from new technologies as well as the grant funding for federally recognized Indian Tribes is indeterminate.

Section 4

Ecology, in consultation with DNR, Commerce, DFW, and DAHP, would be required to engage in a collaborative process to identify opportunities and risks associated with the development of geothermal resources in three locations identified by DNR. Ecology would be required to engage in meaningful government-to-government consultation with potentially affected federally recognized Indian Tribes, DAHP, local governments, state research institutions, other state agencies as appropriate, and participants in Washington’s electrical generation, transmission, and distribution sectors, as well as environmental organizations. Ecology would be authorized to include additional participation from independent subject matter experts at the request of potentially affected federally recognized Indian Tribes.

The process would be required to address potential impacts of geothermal resources development on

- The rights, interests, and resources, including Tribal cultural resources, of potentially affected federally recognized Indian Tribes
- State or federal endangered species
- Overburdened communities

The process would be required to develop factors to identify preferred sites for development and the capacity of geothermal resources to meet generation requirements and GHG emission limits.

Ecology would be required to provide grants to potentially affected federally recognized Indian Tribes.

Ecology would be required to start the collaborative process by November 30, 2024. Ecology would be required to submit an interim report to the Legislature by June 30, 2026. Ecology would be required to submit a final report by June 30, 2027.

Section 1 would require DNR to gather and make available data on geological resources. Ecology assumes DNR will participate in the collaborative process as the source of information about geothermal energy development and will provide all information necessary to identify the capacity of geothermal resources to meet clean energy generation requirements. Ecology assumes DNR will provide the expertise to identify all required information on factors for developing the three sites and potential impacts and any other technical analysis to support the collaborative process.

Ecology assumes the collaborative process required by this bill would require work like the approach taken by Washington State University (WSU) in exploring solar energy in 2021 and pumped storage in 2024. These processes were used to identify risks and opportunities in a collaborative manner.

Ecology assumes that we would contract with consultants to lead the collaborative process. WSU spent \$500,000 to lead a collaborative process for solar energy. However, that process was only focused on the Columbia Plateau. Furthermore, there was limited Tribal participation. Therefore, Ecology assumes that the cost of leading a collaborative process for geothermal energy in three locations with Tribal participation would be higher. Based on the WSU process and on previous experience at Ecology with clean energy contracting work, Ecology estimates that the cost of this work would be \$1,500,000, split between FY 2025 and FY 2026, shown in contracts.

Ecology estimates that 1.9 FTE Environmental Specialist 4 in FY 2025, 2.0 FTE in FY 2026, and 0.10 FTE in FY 2027 would be required to manage consultant teams for field data and expertise, to identify factors, impacts, and analysis for three locations as identified by DNR, lead the collaboration process, and write the legislative reports.

Ecology assumes that the amount of funding required for the grant program would be dependent on the number of potentially affected federally recognized Indian Tribes. According to the Washington State Governor's Office of Indian Affairs there are 32 federally recognized Indian Tribes with lands and territories in Washington state. Because Tribes identify potential impacts for their resources, rights, and interests, Ecology has no way to determine which of the 32 federally recognized Indian Tribes would need or want to receive funding to participate in the process. In addition to the grants themselves, staff resources would be required to develop guidelines, outreach materials, complete the agreements. Ecology assumes that as part of the grant program, an Environmental Justice Assessment would be completed in FY 2025 as required under the HEAL Act, chapter 70A.02 RCW. Because we don't know the size of the grant program, it is not possible to estimate staff costs currently. Therefore, the amount of grant funding and staff resources necessary to implement this bill is indeterminate.

Ecology assumes that potentially affected federally recognized Indian Tribes would request additional participation from independent subject matter experts. However, there is no basis for determining how many subject matter experts or the cost of engaging subject matter expertise. Therefore, the amount of funding required for consultation with subject matter experts is indeterminate.

SUMMARY: The expenditure impact to Ecology under this bill is \$2,139,185 to run a collaborative process and obtain a consultant contract to complete fieldwork, exploratory drilling, and other data gathering necessary to identify factors, impacts, and analysis for the three sites identified by DNR. The cost of grant funding for federally recognized Indian Tribes as well as the cost of engaging additional subject matter expertise at the request of Tribes is indeterminate.

Section 4 is estimated to require:

FY 2025: \$1,053,612 and 2.19 FTEs

FY 2026: \$1,069,593 and 2.3 FTEs

FY 2027: \$15,980 and 0.12 FTEs

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 34.1% of salaries.

Contracts includes \$1,500,000 split between FY 2025 and FY 2026 for a consultant to lead the collaborative process

required under section 4.

Goods and Services are the agency average of \$6,048 per direct program FTE.

Travel is the agency average of \$2,205 per direct program FTE.

Equipment is the agency average of \$1,286 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 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT App Development - Journey.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
26C-1	Climate Commitment Account	State	0	1,053,612	1,053,612	1,085,573	0
Total \$			0	1,053,612	1,053,612	1,085,573	0

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

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		2.2	1.1	1.2	
A-Salaries and Wages		164,016	164,016	181,280	
B-Employee Benefits		55,929	55,929	61,817	
C-Professional Service Contracts		750,000	750,000	750,000	
E-Goods and Other Services		11,491	11,491	12,701	
G-Travel		4,190	4,190	4,631	
J-Capital Outlays		2,443	2,443	2,701	
9-Agency Administrative Overhead		65,543	65,543	72,443	
Total \$	0	1,053,612	1,053,612	1,085,573	0

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

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
ENVIRONMENTAL SPEC 4	86,324		1.9	1.0	1.1	
FISCAL ANALYST 2			0.2	0.1	0.1	
IT APP DEV-JOURNEY			0.1	0.1	0.1	
Total FTEs			2.2	1.1	1.2	0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 6039 E S SB	Title: Geothermal energy resources	Agency: 477-Department of Fish and Wildlife
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Robert Hatfield	Phone: 360-786-7117	Date: 02/12/2024
Agency Preparation: Tiffany Hicks	Phone: (360) 902-2544	Date: 02/20/2024
Agency Approval: Tiffany Hicks	Phone: (360) 902-2544	Date: 02/20/2024
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/20/2024

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.

ESSB 6039 adds WDFW as a consulting agency to Ecology.

WDFW determined no fiscal impact for this bill.

Section 4 requires Ecology to consult with other agencies, including WDFW, to identify opportunities and risks in geothermal development. WDFW is to provide technical expertise regarding potential impacts to state and federally listed endangered species in designated geographic areas. This expertise can be provided using existing agency resources.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 6039 E S SB	Title: Geothermal energy resources	Agency: 490-Department of Natural Resources
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

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

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	5.2	2.6	5.2	5.2
Account					
General Fund-State 001-1	0	862,400	862,400	1,624,000	1,624,000
Total \$	0	862,400	862,400	1,624,000	1,624,000

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: Robert Hatfield	Phone: 360-786-7117	Date: 02/12/2024
Agency Preparation: Zoe Catron	Phone: 360-902-1121	Date: 02/14/2024
Agency Approval: Brian Considine	Phone: 3604863469	Date: 02/14/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/22/2024

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.

ESSB 6039 replaced language to the effect:

EFFECT: (1) Specifies that grant awards under the competitive geothermal exploration cost-share grant program must be available to private, public, and federally recognized tribal applicants. (2) Removes the requirement for tribal grant applicants to pay up to one-third of the overall cost of the project. (3) Directs a grant applicant to consult with the department of ecology (ecology) and, if applicable, comply with underground injection control standards and groundwater antidegradation standards if any fluid is proposed to be injected as part of the exploratory drilling. (4) Directs department of ecology to consult with the departments of fish and wildlife and archaeology and historic preservation when engaging in a geothermal resources collaborative process (collaborative process). (5) Directs the department of ecology to seek participation from other state agencies as appropriate in the government-to-government consultation with federally recognized Indian tribes under the collaborative process. (6) Requires the collaborative process to address the development of factors to guide the identification of preferable sites for geothermal resources to include the continuity between groundwater and surface water resources. (7) Directs the interagency clean energy siting coordinating council to support ecology during the collaborative process, consider the findings of the interim update and final report, make recommendations on potential actions regarding the development of geothermal energy as appropriate, and identify key factors for consideration in planning and siting geothermal facilities. (8) Consolidates the two interim reports on the collaborative process into one update by June 30, 2026, instead of June 2025. (9) Extends the deadline for the final report on the collaborative process by one year, to June 30, 2027, instead of 2026.

The inserted language in ESSB 6039 does not alter the fiscal impact to the Department of Natural Resources.

II. B - Cash receipts Impact

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

Cash receipts are indeterminate. The annual rate of revenue generated will be driven by the number of leases that are developed from the formula in this legislation. Currently we have one application in for a geothermal proposal. The rule making that comes out of this legislation will dictate how much revenue is received.

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.

Section 1: To meet the requirements within Section 1 of establishing and making public a comprehensive subsurface database to support geothermal exploration, a new sub-program will be needed within the Washington Geological Survey program. This sub-program would design a new expansive database structure, would collaborate with external agencies to gather and compile relevant and appropriate datasets, would populate the database from numerous data sources, and would make the database public facing on a web platform. Other new work includes appending and updating the dataset as more data is collected. This work would require the following:

- 1 FTE Natural Resource Scientist 4 would manage the new sub-program, setting priorities, hiring and supervising staff, and applying for additional federal funding opportunities to supplement data gathering activities. Under the program manager;
- 1 FTE Natural Resource Scientist 3 would collaboratively design, populate, and maintain the database, with opportunistic support from resources gained through federal grants;
- 1 FTE Natural Resource Scientist 3 would be needed to establish a public-facing and comprehensive inventory for the

numerous physical samples that the survey stores, sample the materials for a suite of analyses to support geothermal exploration, and work with the database geologist to incorporate that information into the subsurface database;

- 1 FTE Natural Resource Scientist 3 is needed to acquire, process, and analyze new subsurface geologic information, including gravity and magnetotelluric surveys, and to conduct hazard assessments related to induced seismicity in high-potential geothermal play areas. The new subsurface information would be provided to the subsurface program for inclusion in the subsurface database, and interpretations from these studies and induced seismicity hazard assessments would be published and made publicly available.

Costs for this section are \$862,445 for FY25 and \$1,624,000 per biennium ongoing and are detailed below:

Salaries for four new staff are \$340,200 for FY25 and \$680,400 per biennium ongoing.

Benefits total \$121,00 for FY 25, \$243,800 per biennium ongoing.

Goods and services and travel are calculated on actual program averages per person.

Additionally, goods and services costs of \$20,000 in FY25 and \$220,000 per biennium ongoing are needed for material sampling, rock property testing, and geophysical survey services.

In addition to program averages, beginning in FY26, travel costs are \$12,000 per biennium ongoing to support field work.

Software licensing for geophysical data interpretation and induced seismicity hazard assessments total \$30,000 per biennium ongoing.

One-time costs total \$145,245 in FY25 for workstations, computer equipment, and a new gravimeter.

Administrative costs are calculated at 31% of staff salary and benefits and staff-related goods and services and travel. For fiscal note purposes, this cost is represented as a Fiscal Analyst 2 position (1.24 FTE).

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	0	862,400	862,400	1,624,000	1,624,000
Total \$			0	862,400	862,400	1,624,000	1,624,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		5.2	2.6	5.2	5.2
A-Salaries and Wages		340,200	340,200	680,400	680,400
B-Employee Benefits		121,900	121,900	243,800	243,800
C-Professional Service Contracts					
E-Goods and Other Services		93,600	93,600	311,200	311,200
G-Travel		4,000	4,000	20,000	20,000
J-Capital Outlays		147,200	147,200	60,000	60,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		155,500	155,500	308,600	308,600
9-					
Total \$	0	862,400	862,400	1,624,000	1,624,000

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
Fiscal Analyst 2	58,107		1.2	0.6	1.2	1.2
Natural Resource Scientist 3	82,896		3.0	1.5	3.0	3.0
Natural Resource Scientist 4	91,524		1.0	0.5	1.0	1.0
Total FTEs			5.2	2.6	5.2	5.2

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Section 2 (amending RCW 79.13.53) requires DNR to adopt new rules regarding geothermal royalty rates, with rulemaking to commence by 09/30/2024. Additionally, amendments to WAC 332-22-210 will be required.