Individual State Agency Fiscal Note

Bill Number: 5526 SB	Title: Studying the global availability of lithium and rare earth minerals for battery manufacturing.	Agency: 103-Department of Commerce

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
Account					
General Fund-State 001-1	0	121,922	121,922	0	0
Total $	0	121,922	121,922	0	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.

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Agency Approval:	Joyce Miller	Phone: 360-725-2710	Date: 01/07/2022
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Part II: Narrative Explanation

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

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

This bill relates to studying the global availability of lithium and rare earth minerals for battery manufacturing; and create a new section.

Section 1(1) adds a new section and states that by December 31, 2023 the Department of Commerce (department) must work with the Joint Center for Deployment and Research of Earth Abundant Materials (JCDREAM) and Pacific Northwest National Laboratory (PNNL) to write a legislative report examining the global availability of lithium and other rare earth minerals (e.g. cobalt) used in battery manufacturing.

Section 1(2) adds a new section and states that the legislature intends to appropriate moneys to carry out the purposes of this act.

Effective date is assumed to be 90 days after adjournment of the session in which this bill is passed.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

Section 1 – Writing a Legislative Report
The department assumes contracting the funding to PNNL and/or JCDREAM to create a one-time legislative report examining the global availability of lithium and other rare earth minerals used in battery manufacturing.

The subject matter to be addressed in the study is complex and open-ended. For purposes of this fiscal note, the department assumes it would contract for $100,000 of consulting services to survey existing research and develop a report.

To accomplish this work the department estimates:
.10 FTE EMS2 Senior Energy Policy Specialist in FY23 (208 hours) to provide consultation in development of legislative report.

Salaries and Benefits
FY23: $15,417

Professional Service Contracts
The department estimates $100,000 (estimated at $250 per hour for approximately 400 hours of work) for contracted development to create the one-time legislative report.
FY23: $100,000

Goods and Services, Equipment and Travel
FY23: $1,263

Intra-agency Reimbursement:

FY23: $5,242

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
FY23: $121,922

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
001-1	General Fund	State	0	121,922	121,922	0	0
		Total $	0	121,922	121,922	0	0

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years					
A-Salaries and Wages		11,811	11,811		
B-Employee Benefits		3,606	3,606		
C-Professional Service Contracts		100,000	100,000		
E-Goods and Other Services		1,263	1,263		
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		5,242	5,242		
9-					
Total $	0	121,922	121,922	0	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*

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

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

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

NONE

Part V: New Rule Making Required