

HB 4100 B BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Frederick

Joint Committee On Ways and Means

Action Date: 03/03/26

Action: Do pass the B-Eng bill.

Senate Vote

Yeas: 11 - Anderson, Campos, Frederick, Girod, Lieber, Manning Jr, McLane, Neron Misslin, Smith DB, Sollman, Starr

House Vote

Yeas: 13 - Bowman, Breese-Iverson, Elmer, Evans, Gomberg, Levy E, Nosse, Owens, Reschke, Ruiz, Sanchez, Smith G, Valderrama

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Reviewed By: April McDonald, Legislative Fiscal Office

**Department of Environmental Quality
2025-27**

Budget Summary*

	2025-27 Legislatively Approved Budget⁽¹⁾	2026 Committee Recommendation	Committee Change from 2025-27 Leg. Approved	
			\$ Change	% Change
Other Funds Limited	\$ -	\$ 175,162	\$ 175,162	100.0%
Total	\$ -	\$ 175,162	\$ 175,162	100.0%

Position Summary

Authorized Positions	0	2	2
Full-time Equivalent (FTE) positions	0.00	0.67	0.67

⁽¹⁾ Includes adjustments through January 2026

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 4100 increases Other Funds expenditure limitation for the Department of Environmental Quality (DEQ) by \$175,162 to provide certification of the financial responsibility of bulk oils or liquid fuels terminals. Revenue to support the program is provided by fees associated with the Fuel Tank Seismic Stability Program.

Summary of Capital Construction Subcommittee Action

House Bill 4100 requires owners or operators of bulk oils or liquid fuels terminals to acquire and maintain a certificate of financial responsibility provided by DEQ. The bill directs the Environmental Quality Commission to develop rules for criteria assessing reasonable minimum amounts of financial assurances; develop financial responsibility rules in consideration of similar rules established by the state of Washington; appoint an advisory committee; and make certain timely modification to related rules. The bill limits the amount of financial assurance required by the rules to no greater than \$300 million and directs DEQ to evaluate and adjust the maximum amount of financial assurance once every three years. The measure prohibits local governments from adopting or enforcing any ordinance requiring owners or operators of bulk oils or liquid fuel terminals to obtain financial assurance in excess or addition to the requirements of the financial responsibility certification and requires DEQ to report to interim legislative committees each even numbered year, no later than September 15, with an initial report required no later than September 15, 2027. Finally, the bill requires owners or operators of bulk oils or liquid fuels terminals to provide initial applications for certificates of financial responsibility by March 31, 2027.

The subcommittee recommended an Other Funds expenditure limitation increase of \$175,162 for one permanent, full-time Program Analyst 3 (0.42 FTE) and one permanent, full-time Administrative Specialist 2 (0.25 FTE) to implement the requirements of the bill.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Environmental Quality
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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
SCR 003 - Land Quality									
Personal Services	\$ -	\$ -	\$ 152,314	\$ -	\$ -	\$ -	\$ 152,314	2	0.67
Services and Supplies	\$ -	\$ -	\$ 22,848	\$ -	\$ -	\$ -	\$ 22,848		
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 175,162	\$ -	\$ -	\$ -	\$ 175,162	2	0.67
% Change from 2025-27 Leg Approved Budget	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%

*Excludes Capital Construction Expenditures