

WASHINGTON STATE DEPARTMENT OF HEALTH

Economic Impact Analysis Fee Adjustment Report

**Office of Environmental
Health and Safety**

October 2025



Economic Impact Analysis Fee Adjustment Report

Office of Environmental Health and Safety

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Overview

The Department of Health (Department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Drug Lab Cleanup program certifies workers, supervisors, contractors, and trainers who clean up illegal drug labs. The Drug Lab Cleanup program also supports local health agency's efforts for handling contaminated drug lab sites. [RCW 64.44.060](#) requires the Department to train, test, and certify contractors that assess and clean up contaminated properties used as an illegal controlled substances manufacturing or storage site.

[RCW 64.44.060](#) also requires the Department to prescribe fees for the issuance and renewal of certificates, conducting background checks of applicants, the administration of examinations, and the review of training courses. [RCW 43.70.250](#) authorizes the Secretary of Health to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license.

The Department has completed a financial assessment and determined the current fees are not generating sufficient revenue to cover the operating costs over the biennium. Considering the program's financial forecast, the Department adopts a fee adjustment to address existing program deficits, increased program expenses, and reductions in funding from General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

This document summarizes data on revenue, expenditures, fee reserve, cost drivers, financial forecast, and the changes to existing fees.

Current Financial Status

The Department's Drug Lab Cleanup program ended fiscal year (FY) 2024 with a fee balance of \$25,620. The fee balance is currently operating at a surplus due to directly charging 90% of the allowed cost recovery expenditures to the GFS account. The program is projected to deplete the reserve balance in FY 2025 and operate at a deficit due to GFS reductions each year through FY 2027.

Revenue

The Department currently licenses workers, supervisors, and trainers with a 2-year recertification cycle, and a 1 year for contractors. The Drug Lab Cleanup program receives around 70 initial/reciprocal applications a year.

Fees

Bi-annual certification fees charged at initial application and renewal generate revenue for the Drug Lab Cleanup program ([WAC 246-205-990](#)). The last fee change occurred in November 2009, decreasing the majority of the fees.

Expenditures

Costs for the Department’s Drug Lab Cleanup program are classified into two primary categories: Operations and Indirect.

Program Spending by Operation						
Fiscal Year	FY19	FY20	FY21	FY22	FY23	FY24
Operations	90,205	92,466	101,772	106,489	101,608	101,647
Indirect	34,906	35,781	39,382	41,207	39,318	39,334

Financial Forecast

Revenue

The Department does not anticipate any significant growth in contaminated properties license activities over the next five years. Operations are projected to maintain a two-year recertification cycle. The Department expects these trends to continue.

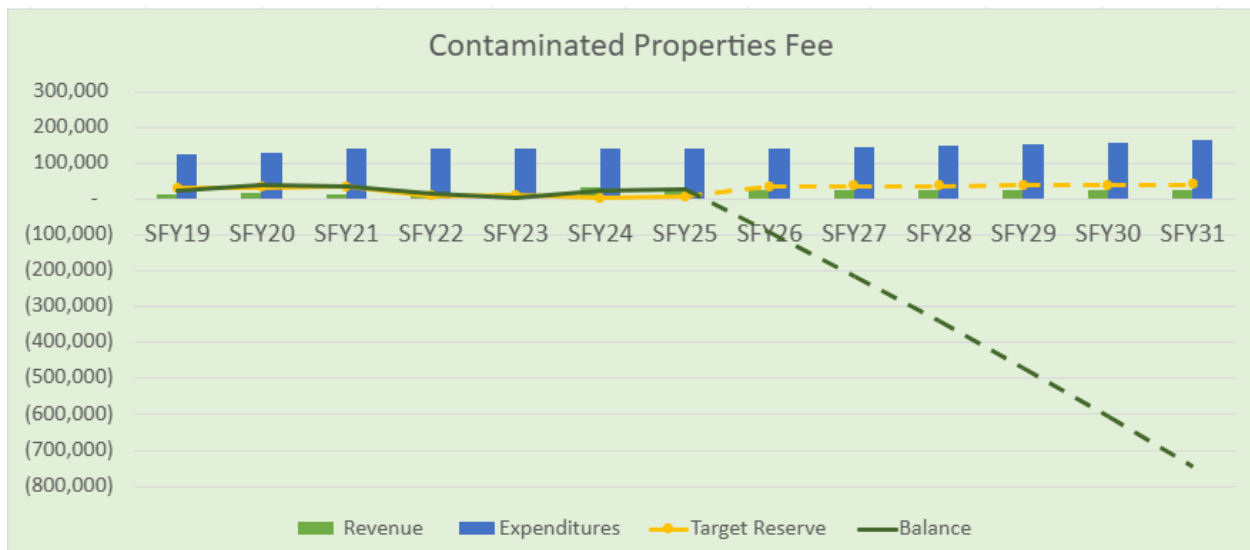
Expenditures

The Department anticipates costs for the Drug Lab Cleanup program personnel to increase by three percent annually. Cost increases are primarily due to inflation for personnel-related costs. The Drug Lab Cleanup program needs a fee adjustment to address existing program deficits, increased program expenses, and reductions in funding from the General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

Fee Reserve

The Drug Lab Cleanup program is not expected to generate enough revenue to cover costs over the next six years, which includes the necessary drawdown of the reserve fee balance.

The chart below shows actual revenue and expenditures from FY 2019 through FY 2024, and projected revenue and expenditures from FY 2025 through FY 2031.

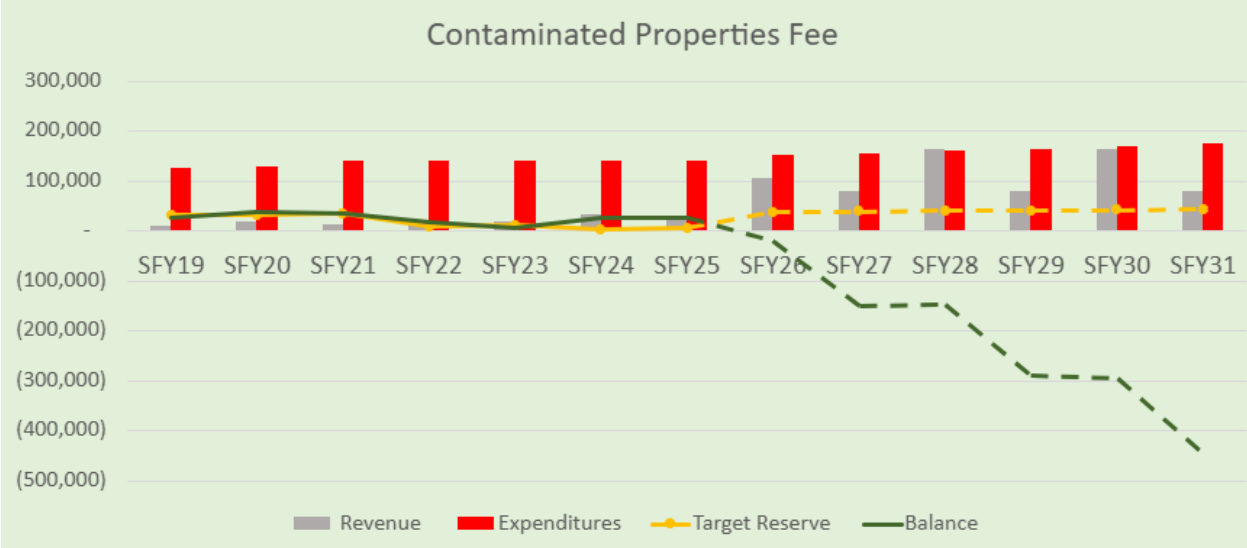


Adopted Fee Proposal

To address existing program deficits, increased program expenses, reductions in funding from the General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167), and bring the contaminated properties fee balance into alignment with requirements, the following fees are adopted:

Adopted Fee Proposal		
Title of Fee	Current Fee	Adopted Fee
2 Year Certification per each:		
Initial/ Reciprocal worker application	\$100	\$558
Renewal worker certification	\$50	\$279
Initial/ Reciprocal supervisor application	\$200	\$1,116
Renewal Supervisor worker certification	\$150	\$837
Initial training provider certification worker	\$1,000	\$5,580
Renewal training provider certification worker	\$500	\$2,790
Initial training provider certification supervisor	\$1,000	\$5,580
Renewal training provider certification supervisor	\$500	\$2,790
1 yr contractor initial, renewal, or reciprocal certification/application	\$1,125	N/A
2 yr contractor initial, renewal, or reciprocal certification/application	N/A	\$6,278

This adopted proposal allows the Department to cover the Drug Lab Cleanup program expenditures and sustain the program’s fee balance. A methodology change moving the Contractor Certification into a 2-year certification cycle aligns this fee with the rest of the programs fee cycle for greater efficiency and corresponds with the Washington State Labor and Industries’ Contractor Certification. The chart below shows actual and projected revenue and expenditures for current and adopted fees from FY 2019 through FY 2031.



The Department will continue to monitor the financial health of the Drug Lab Cleanup program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.

WAC 246-260-990, Water Recreation Facilities Fees

WAC 246-262-990, Recreation Water Contact Facilities Fees

Overview

The Department of Health (Department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Water Recreation program works to ensure water recreation facilities provide a safe and healthy environment for the public. The Water Recreation program does this by reviewing the design and construction of new water recreation facilities, providing training for pool operators, assisting local health departments, and developing guidance materials and educational resources. The program also works with industry and other key partners to address the health and safety needs of natural bathing areas.

[RCW 70.90.140](#) requires the Secretary of Health (Secretary) to enforce the water recreation facilities laws and regulations, and allows the program to create shared plans with local health jurisdictions for implementing the laws and rules. In 2008, Lewis County ended their agreement with the Department, which required the Department to issue operating permits and perform routine inspections of water recreation facilities previously done by Lewis County Public Health. There are two chapters of rules that pertain to water recreational facilities – chapter 246-260 WAC (Water recreation facilities) and chapter 246-262 WAC (Recreational water contact facilities).

[RCW 70.90.150\(2\)](#) authorizes the Department to establish and collect fees sufficient to cover its costs incurred in carrying out its duties under the water recreational facilities laws and rules. [RCW 43.70.250](#) authorizes the Secretary to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license.

The Department completed a financial assessment, which included performing a time study as part of this analysis, and determined the current fees are not generating sufficient revenue to cover the operating costs over the biennium. Considering the program's financial forecast, the Department adopts a fee adjustment to address existing program deficits, increased program expenses, and reductions in funding from General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

This document summarizes data on revenue, expenditures, fee reserve, cost drivers, financial forecast, and the changes to existing fees.

Current Financial Status

The Department's Water Recreation program ended fiscal year (FY) 2024 with a fee balance of \$23,651. The fee balance is currently operating at a deficit of the recommended reserve balance of \$71,864 and has only maintained a small reserve due to directly charging 84% of expenditures to the GFS. The Water

Recreation program is projected to deplete the reserve in FY 2025 and increase the deficit each year through FY 2027.

Revenue

The Department currently permits approximately 47 facilities annually and reviews on average 156 new construction plans annually.

Fees

Annual fees charged for plan review and operating permits generate revenue for this program. All fees are listed in [WAC 246-260-9901](#) & [246-262-990](#). The last fee change occurred in September 2006, combining some fee categories, removing others, and adjusting the fees to correlate with the new categories.

Expenditures

Costs for the Water Recreation program are classified into two primary categories: Operations and Indirect.

Program Spending by Operation						
Fiscal Year	FY19	FY20	FY21	FY22	FY23	FY24
Operations	107,836	128,453	123,431	122,822	129,510	207,256
Indirect	41,729	49,707	47,763	47,528	50,115	80,200

Financial Forecast

Revenue

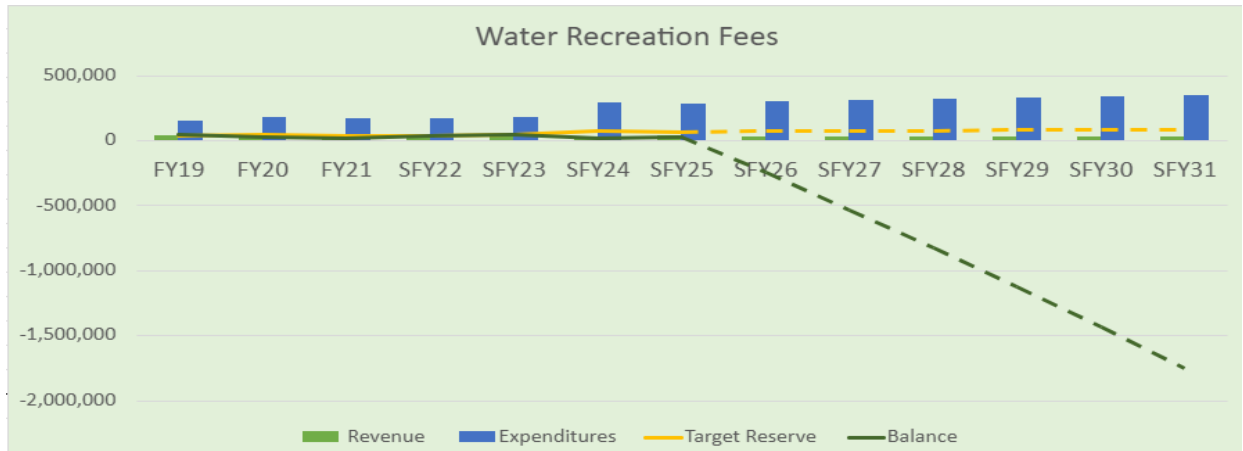
The Department anticipates new applications to grow less than one percent over the next five years. Renewals are projected to continue at the average renewal rate of 97 percent.

Expenditures

The Department anticipates costs for the Water Recreation program personnel to increase by three percent annually. Cost increases are primarily due to inflation for personnel-related costs. The Water Recreation program needs a fee adjustment to address existing program deficits, increased program expenses, and reductions in funding from the General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

Fee Reserve

The Water Recreation program is not expected to generate enough revenue to cover costs over the next six years, which includes the necessary drawdown of the reserve fee balance. The chart below shows actual revenue and expenditures from FY 2019 through FY 2024, and projected revenue and expenditures from FY 2025 through FY 2031.



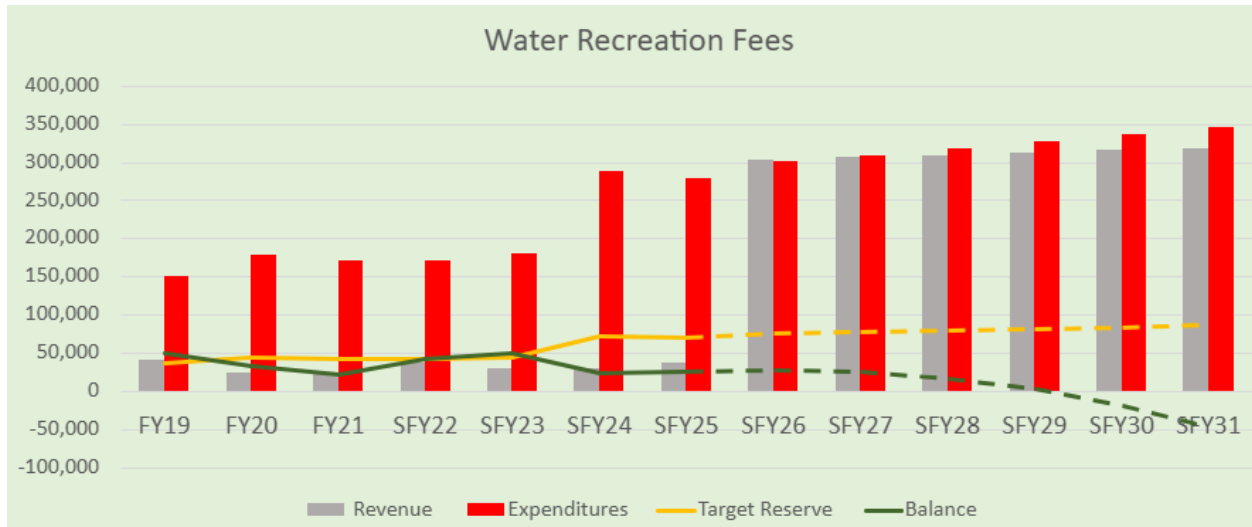
Adopted Fee Proposal

To address existing program deficits, increased program expenses, and reductions in funding from the General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167), the following fees are adopted:

Adopted Fee Proposal		
Title of Fee	Current Fee	Adopted Fee
Construction Permit Plan Review Water Recreation Fee		
Swimming Pool 100,000 gal or more, up to 8 hours	\$800	\$1,600
Each hour over 8 hours of review	\$99	\$198
Swimming Pools less than 100,000 gallons, spa pools, recirculating spay pools, up to 4 hours	\$400	\$800
Each hour over 4 hours of review	\$99	\$198
Wading Pools & Nonrecirculating Spray Pools, up to 2 hours	\$200	\$400
Each hour over 2 hours of review	\$99	\$198
Alterations, renovations, or modifications to existing swimming, spa, wading or spray pools, up to 1 hour of review	\$100	\$198
Each hour over 1 hour of review	\$99	\$198
Construction Pemit Plan Review Recreational Water Contact Facilities		
Plan review, up to 4 hours	\$400	\$800
Each hour over 4 hours of review	\$99	\$198
Alterations, renovations, or modifications to existing recreational water contact facility hourly rate	\$99	\$198
Operating Permit Water Recreation Facilities Less than 6 months (plus any applicable lab costs)		
Single Swimming Pool	\$291	\$1,509
Single Spa	\$255	\$1,509
Single Wading	\$211	\$1,509

Spray pool or pool	\$105	\$1,509
Each Additional Swim, Spa, Spray, or Wading Pool	\$63	\$441
Operating Permit Water Recreation Facilities 6 - 12 Months (plus any applicable lab costs)		
Single Swim	\$477	\$2,504
Single Spa	\$424	\$2,504
Single Wading	\$371	\$2,504
Spray pool or pool	\$159	\$2,504
Each Additional Swim, Spa, Spray, or Wading Pool	\$84	\$588
Other Fees		
Additional fee of \$609 for each additional on-site inspection beyond those provided under the annual operating permit when necessary, including but not limited to violation fee	N/A	\$609
Violation Inspection (non-compliance water quality, failure to comply op requirements)	\$87	\$609
Alternate annual fee (direct + indirect costs) permit issuance arrangement		N/A
Prorated amount for closed pools during 1st year of development		N/A
Reduction of fees not exceeding 30% for satisfactory training		N/A
Limited use facilities: op permit serves less than 15 living units permit 50% of fee		N/A
Max Fee Cap:		
0-6 months	\$774	N/A
0-6 months: Third and +	\$51	N/A
>6 months	\$1,032	N/A
>6 months: Third and +	\$67	N/A
Operating Permit Recreational Water Contact Facilities (plus any applicable lab costs)		
Containing 1 attraction	\$180	\$756
Containing more than 1 attraction	\$180 + \$51 each attraction (maximum \$335)	\$756+ \$350 each attraction (maximum \$2,160)
Hourly fee	\$99	\$198
Violation fee	\$51 + lab costs	\$609
Additional fee of \$609 for each additional on-site inspection beyond those provided under the annual operating permit when necessary, including but not limited to violation fee	N/A	\$609

This adopted proposal allows the Department to cover most of the program expenditures and sustain a small reserve balance through FY 2027. The chart below shows actual and projected revenue and expenditures for current and adopted fees from FY 2019 through FY 2031.



The Department will continue to monitor the financial health of the Water Recreation program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.

Chapter 246-272 WAC, Wastewater and Reclaimed Water Use Fees

Overview

The Department of Health (Department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Wastewater Management program is responsible for the safe treatment and dispersal of domestic, non-industrial wastewater in areas of Washington not served by municipal sewage treatment works.

On-site sewage systems, also known as [septic systems](#), are utilized across the state to treat wastewater from private homes, restaurants, and other commercial facilities with a design flow capacity of less than 3,500 gallons per day. The State Board of Health has adopted statewide on-site sewage system regulations, Chapter 246-272A WAC On-site Sewage Systems, using their authority under RCW 43.20.050. Local health officers have authority to enforce this rule under RCW 70.05.070. Our role includes providing consultation and technical support to local health officers, practitioners, the public, and various agencies at all levels. We also develop and enforce standards for the design, operation, and maintenance of these systems, as well as review and approve products related to on-site sewage systems sold in Washington State. Fees associated with on-site sewage systems are outlined in WACs 246-272-2000, 246-272-4000, and 246-272-6000.

Large on-site sewage systems convey, store, treat, and provide subsurface soil treatment and dispersal of domestic sewage for facilities and communities with a design flow between 3,500 and 100,000 gallons per day. These systems offer a sewage treatment option where centralized municipal sewage treatment plants aren't available and can serve from 10 to about 370 individual residences, or equivalent flows from schools and churches, campgrounds and recreation vehicle parks, resorts or state park sites, or smaller cities or towns. [Chapter 70A.115 RCW](#) authorizes the Department to review and approve large on-site sewage systems project applications state-wide. All existing large on-site sewage systems are required to obtain and renew annual operating permits from the Department. Fees associated with large onsite sewage systems is outlined in WAC 246-272-3000.

The Department and the Department of Ecology share co-enforcement authority over reclaimed water facilities under chapter 90.46 RCW. When designated as the lead agency, the Department is responsible for coordinating, reviewing, issuing, and enforcing permits for reclaimed water projects in accordance with Chapter 173-219 WAC. The Department oversees reclaimed water projects that utilize wastewater effluent from on-site sewage systems designed to treat flows of up to 100,000 gallons per day, as regulated by chapters [246-272A](#) and [246-272B](#) WAC. Fees associated with reclaimed water use projects is outlined in WAC 246-272-5000.

[RCW 43.70.110](#) and [RCW 43.70.250](#) authorize the Secretary to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license. [RCW 43.20B.020](#) also permits the Department to charge fees for services.

The Department has completed a financial assessment and determined the current fees are not generating sufficient revenue to cover the operating costs over the biennium. Considering the program’s financial forecast, the Department adopts a fee adjustment to address existing program deficits, increased program expenses, reductions in funding from General Fund State (GFS) and Foundational Public Health Services (FPHS) accounts, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

This document summarizes data on revenue, expenditures, fee reserve, cost drivers, financial forecast, and the changes to existing fees.

Current Financial Status

The Department’s Wastewater Management program currently, fiscal year (FY) 2025, has a fee balance of \$49,980. The fee balance is currently operating at a deficit of the recommended reserve balance of \$547,006. The Wastewater Management program is projected to continue depleting the reserve in FY 2025 and increasing the deficit each year through FY 2027.

Revenue

Fees

Annual license fees charged at initial application and renewal generate revenue for this program ([WAC 246-272](#)). The last fee changes occurred in July 2020 for WAC 246-272-3000 that either restructured and/or increased fees, and in 2010-2011 all other Wastewater and Reclaimed Water Use fees were created as new sections. Revenue has been consistent for the past four years.

Expenditures

Costs for the Department’s Wastewater Management program are classified into three primary cost categories: Operations, Heath Technology Services (HTS), and Indirect.

Program Spending by Operation						
Fiscal Year	FY19	FY20	FY21	FY22	FY23	FY24
Operations	668,819	1,050,927	883,711	1,153,914	1,258,686	1,416,612
HTS	141,871	222,924	187,454	244,770	266,994	300,493
Indirect	202,672	318,463	267,791	349,671	381,420	429,276
Total	1,013,362	1,592,313	1,338,956	1,748,355	1,907,100	2,146,381

Financial Forecast

Revenue

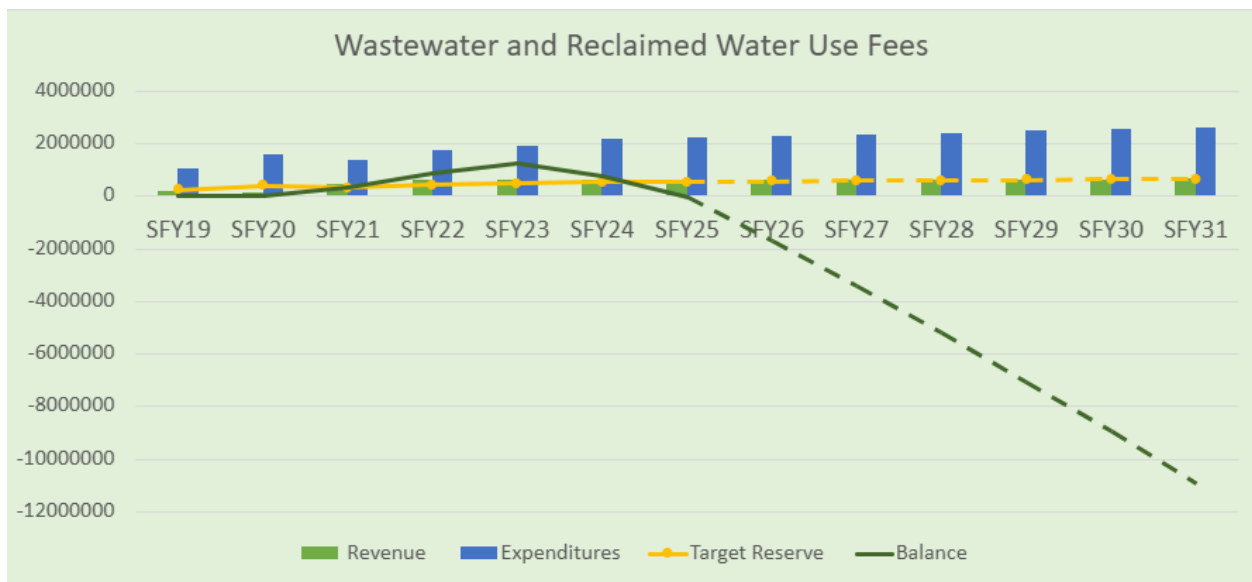
The Department does not anticipate any significant growth in permits over the next five years. Permittees are projected to continue renewing at an average renewal rate of 100 percent except for a few permit types. The Department expects these trends to continue.

Expenditures

The Department anticipates costs for the Wastewater Management program personnel to increase by three percent annually. Cost increases are primarily due to inflation for personnel-related costs. The Wastewater Management program needs a fee adjustment to address existing program deficits, reductions in funding from the General Fund State (GFS) and Foundational Public Health Services (FPHS) accounts, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

Fee Reserve

The Wastewater Management program is not expected to generate enough revenue to cover costs over the next six years, which includes the necessary drawdown of the reserve fee balance. The chart below shows actual revenue and expenditures from FY 2019 through FY 2024, and projected revenue and expenditures from FY 2025 through FY 2031.



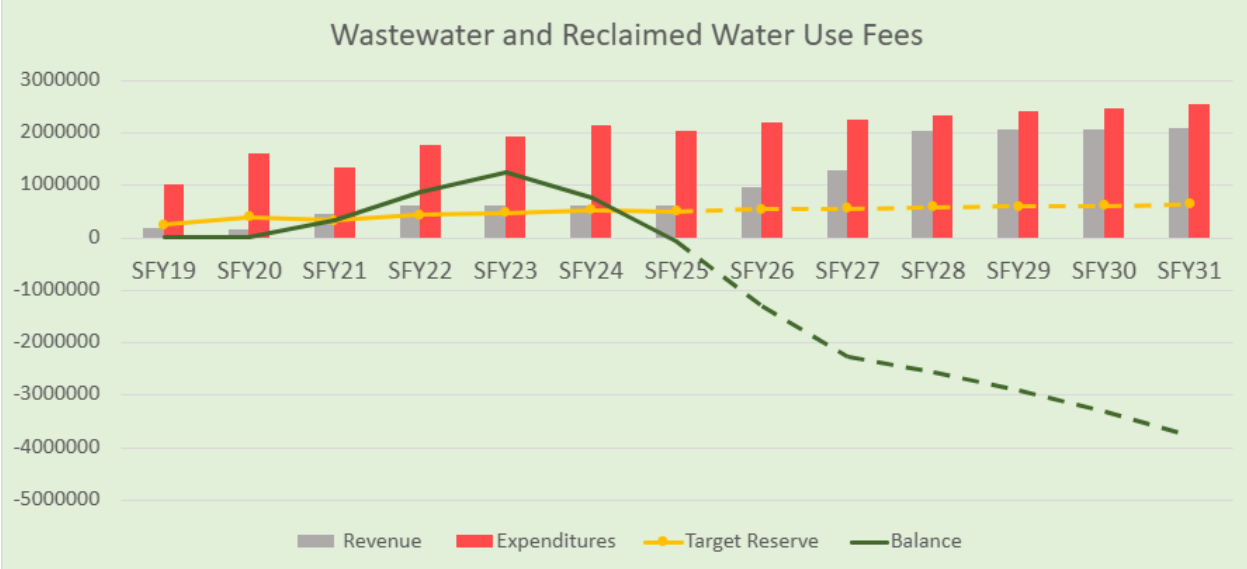
Adopted Fee Proposal

To address existing program deficits, increased program expenses, reductions in funding from the General Fund State (GFS) and Foundational Public Health Services (FPHS) accounts, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167), the following fees are adopted:

Adopted Fee Proposal					
Type	Title and Description of Fee	Base Hours	Current Fee	Adopted Fee effective 1/1/2026	Adopted Fee effective 1/1/2027
On-Site Sewage System	Proprietary Product Registration	4	\$400	\$1,460	\$1,460
	Per Hour that Exceeds Base	Hourly rate	\$100	\$365	\$365

(WAC 246-272-2000)	Annual Base Fee	N/A	\$100	\$365	\$365
Large on-site sewage system (WAC 246-272-3000)	New/Modification project review	8	\$848	\$3,095	\$3,095
	Reduced modification project review	4	\$424	\$1,548	\$1,548
	Review LOSS documents in response to permit conditions	Hourly rate	\$106	\$387	\$387
	Review LOSS documents not associated with project review/permit condition	Hourly rate	\$106	\$387	\$387
	Per Hour that Exceeds Base	N/A	\$106	\$387	\$387
	Site Inspections - Enforcement	N/A	\$1,000	\$3,650	\$3,650
	Final Inspection	N/A	\$500	\$1,825	\$1,825
	Operator Permit Base Fee	N/A	\$608	\$1,414	\$2,219
	Per Gallon LOSS design Flow Fee	N/A	\$0.0405	\$0.10	\$0.15
	Late Application - less than 30 days prior to expiration	N/A	\$94	\$343	\$343
On-Site Sewage Tanks (WAC 246-272-4000)	Review/approval design/construction plans	4	\$408	\$1,489	\$1,489
	Per Hour that Exceeds Base	N/A	\$102	\$372	\$372
Reclaimed Water Use (WAC 246-272-5000)	Review/Inspection reclaimed water use projects	1	\$102	\$372	\$372
On-site sewage system additive (WAC 246-272-6000)	Base fee paid with application	2	\$350	\$1,278	\$1,278
	Per Hour that Exceeds Base	N/A	\$75	\$274	\$274

This adopted proposal allows the Department to cover more of the Wastewater Management program expenditures with continued subsidy from the GFS and FPHS funding. The chart below shows actual and projected revenue and expenditures for current and adopted fees from FY 2019 through FY 2031.



The Department will continue to monitor the financial health of the Wastewater Management program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.

WAC 246-282-990, Commercial Shellfish Fees

Overview

The Department of Health (Department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Commercial Shellfish program licenses and regulates all commercial shellfish operations in Washington state. The program regularly inspects facilities, performs complaint investigations, and tracks all harvest sites, issues, and monitors various permits. This work includes coordinating biotoxin sampling, monitoring results, and opening or closing beaches proactively based on biotoxin levels. The program also tracks all shellfish related foodborne illnesses, monitors outbreaks, and coordinates investigations. In addition, the program provides export certificates for operations exporting shellfish to countries that require a certificate from a governmental health authority. [Chapter 69.30 RCW](#) requires the Department to enforce and administers the sanitary control of shellfish laws and regulations.

[RCW 43.70.250](#) authorizes the Secretary of Health to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license.

The Department has completed a financial assessment and determined the current fees are not generating sufficient revenue to cover the operating costs over the biennium. Considering the program's financial forecast, the Department adopts a fee adjustment to address existing program deficits, increased program expenses, and reductions in funding from General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

This narrative surrounding commercial shellfish fees provides a comprehensive analysis, building on previous analyses conducted for the Department's rulemaking in 2023, and integrating insights from a third-party consultant's report regarding the commercial shellfish program fees. In 2024, the Department paused fee increases pending the outcomes of the consultant's evaluation and report. This postponement, combined with cuts to GFS funding and rising expenses from the recent 2025-2027 state budget, has intensified the urgency for the shellfish program to implement fee increases. Some assumptions are based on historical data from the 2023 review, which occurred before the Legislative proviso. Efforts are also being made to address the ongoing expenses associated with the program's current operational requirements.

This document summarizes data on revenue, expenditures, fee reserve, cost drivers, financial forecast, and the changes to existing fees.

Current Financial Status

The Department's Commercial Shellfish program ended fiscal year (FY) 2024 with a fee balance of \$12,773. The reserve balance only existed due to General Fund State (GFS) subsidy. The program has been subsidized by GFS funding until an in-depth fee analysis could be provided. The analysis determined that GFS is currently providing 84% subsidy for this fee program. This fee analysis

determined the recommended reserve amount is \$483,817. The fee balance is currently operating at a deficit of the recommended reserve amount in FY 2024.

Revenue

The Department currently licenses 329 Commercial shellfish operations in Washington state. Commercial shellfish revenue comes from annual licenses, biotoxin testing, and export certificates fees. This revenue currently supports 16% of the Commercial Shellfish program costs. Annually the program has averaged 1,914 biotoxin tests and 1,810 export certificates over the past four years.

General Fund State

GFS funding covers two portions of the Commercial Shellfish program's costs.

1. Costs not eligible for fee recovery: The first portion of GFS funding is covering costs not eligible for fee recovery. These costs account for 49% of total program costs and funds *Vibrio parahaemolyticus*, *Vibrio vulnificus* and other shellfish related illness monitoring and investigation, new or emerging policy work, costs associated with staff working on behalf of and in partnership with shellfish tribes (consent decree costs), non-fee related travel, and staffing cost. This portion also includes other costs identified as requiring a program audit of the service being provided and associated costs. This includes harvest site and permit work as well as other miscellaneous staffing and related costs. This 49% also includes future subsidy of 65% of the cost increase from this fee adjustment for year 1 and future subsidy 39% of the cost increase from this fee adjustment for year 2. This subsidy is only applied to annual license and biotoxin fees. This subsidy will also be evaluated during the program audit and fees could increase because of that audit.
2. Costs eligible for fee recovery: The second portion of GFS funding was subsidizing fee costs until in-depth analysis could be provided to determine true cost and corresponding fee rates. This analysis determined that 70% of Commercial Shellfish program costs for annual license and biotoxin testing are eligible for fee cost recovery but are being subsidized by GFS funding currently. Of the allowable costs being subsidized, license subsidy averages 78% and biotoxin subsidy averages 70%. Additionally, this analysis determined 100% of Commercial Shellfish program costs for export certificates are eligible for fee cost recovery but are being subsidized by GFS funding currently, with this subsidy averaging 70% of the annual program costs.

Fees

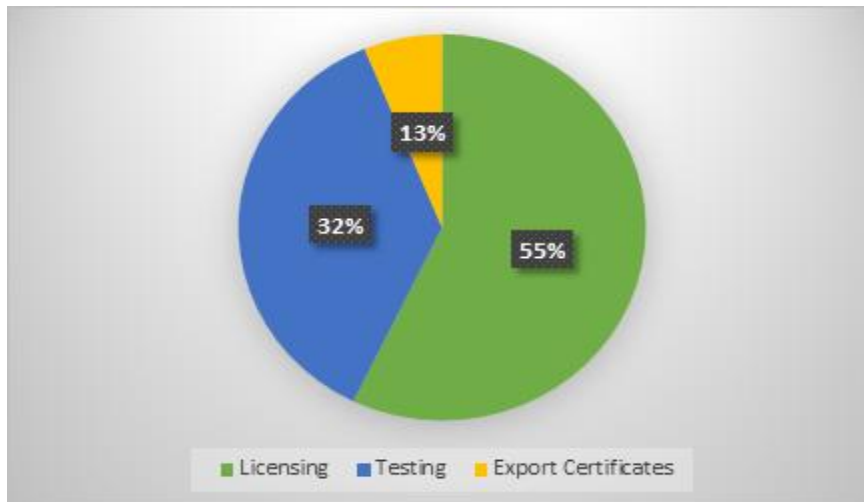
Annual license and biotoxin testing fees are billed each spring during the annual renewal period. PSP geoduck fees are billed annually in January. Export certificate fees are billed monthly based on certificates requested. Revenue from these fees has been decreasing an average of 10% annually for the past six years. All fees are listed in [WAC 246-282-990](#). The last fee adjustments occurred in 2015 for Biotoxin Testing and Export Certificate fees, while License fees were last modified in 2007, as detailed in the table below. Since their introduction in 2002, PSP geoduck testing fees have remained unchanged.

Fees: Rate Change History			
Type	Title of Fee	Effective: 8/21/2004	Effective: 6/15/2015
Annual <u>Biotoxin</u> Testing	Harvester ≤ 2	\$173	\$353
Annual <u>Biotoxin</u> Testing	Harvester 3 or more	\$259	\$535
Annual <u>Biotoxin</u> Testing	<u>Shellstock Shipper Wholesale Company</u>		<u>\$198</u>
Annual <u>Biotoxin</u> Testing	Shellstock Shipper 0-49 acres ≤ 2	\$195	\$393
Annual <u>Biotoxin</u> Testing	Shellstock Shipper 0-49 acres 3 or more	\$292	\$610
Annual <u>Biotoxin</u> Testing	Shellstock Shipper 50 or greater acres N/A	\$468	\$961
Annual <u>Biotoxin</u> Testing	Shucker-Packer (plants < 2000 ft ²) ≤ 2	\$354	\$752
Annual <u>Biotoxin</u> Testing	Shucker-Packer (plants < 2000 ft ²) 3 or more	\$533	\$1,076
Annual <u>Biotoxin</u> Testing	Shucker-Packer (plants 2000 - 5000 ft ²) ≤ 2	\$429	\$882
Annual <u>Biotoxin</u> Testing	Shucker-Packer (plants 2000 - 5000 ft ²) 3 or more	\$644	\$1,297
Annual <u>Biotoxin</u> Testing	Shucker-Packer (plants > 5000 ft ²)	\$1,189	\$2,412
Type	Title of Fee	Effective: 10/10/2010	Effective: 6/15/2015
Export Certificate	Export Certificate	\$20	\$55
Type	Title of Fee	Effective: 07/11/2002	Effective: 9/1/2007
Annual Shellfish Operation License	Harvester	\$250	\$263
Annual Shellfish Operation License	Shellstock Shipper 0 – 49 Acres	\$282	\$297
Annual Shellfish Operation License	Shellstock Shipper 50 or greater Acres	\$452	\$476
Annual Shellfish Operation License	Scallop Shellstock Shipper	\$282	\$297
Annual Shellfish Operation License	Shucker-Packer Plants with floor space < 2000 sq. ft.	\$514	\$542

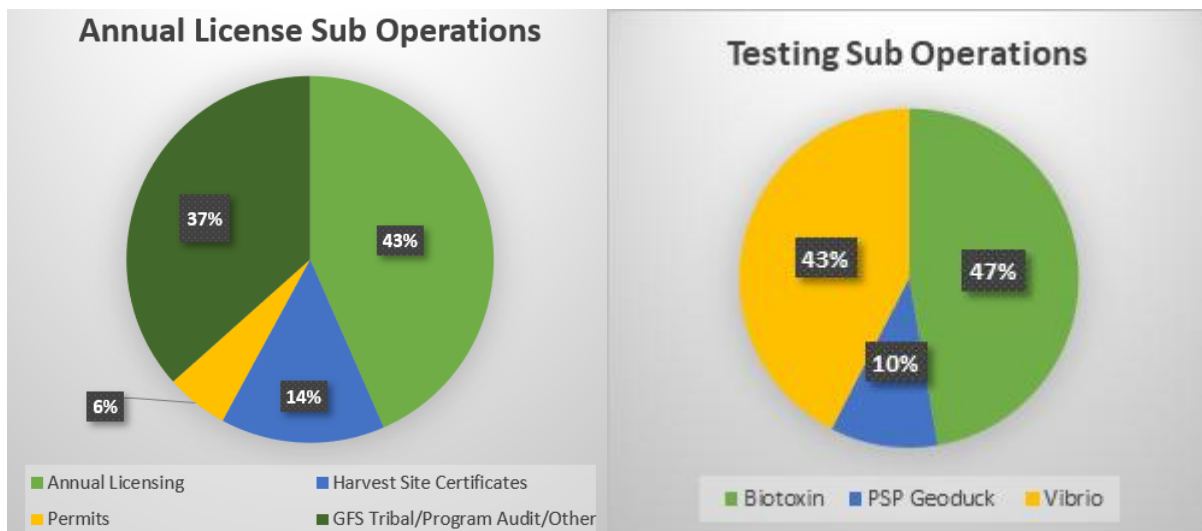
Annual Shellfish Operation License	Shucker-Packer Plants with floor space 2000 sq. ft. to 5000 sq. ft.	\$622	\$656
Annual Shellfish Operation License	Shucker-Packer Plants with floor space > 5000 sq. ft.	\$1,147	\$1,210

Expenditures

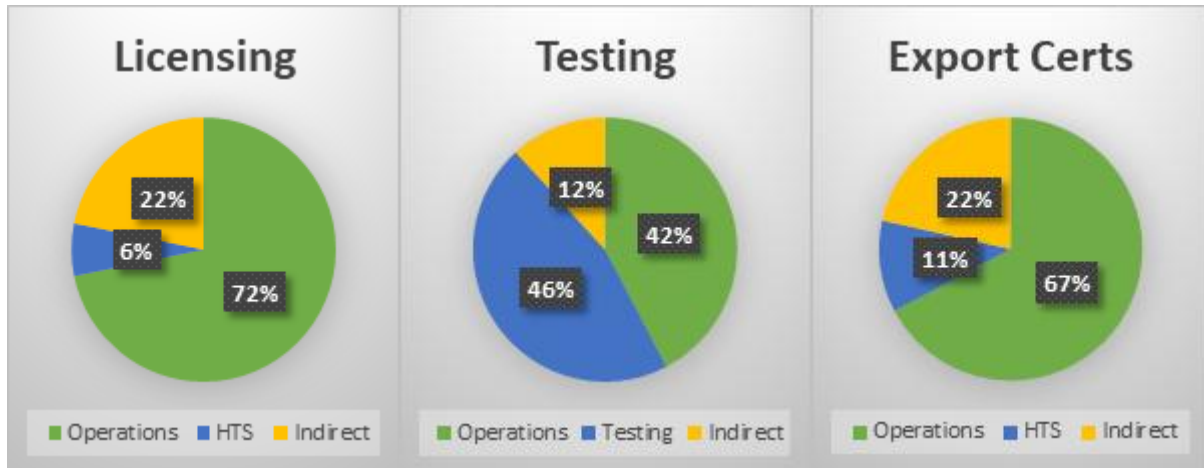
Costs for the Department’s Commercial Shellfish program are classified into three primary operations: Licensing, Testing, and Export Certificates.



License and Testing operations can be further classified into sub program operations.

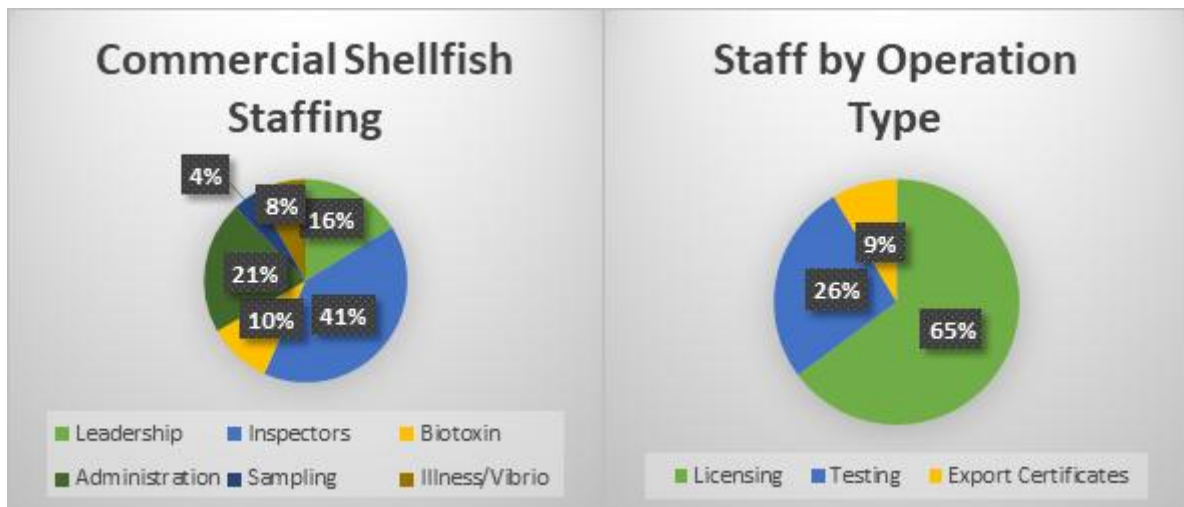


Costs from Commercial Shellfish program operations is further classified into three cost categories: Operations, Health Technology Solutions, and Indirect, and shown by operation type below.



Operations costs are typically the largest expense of the Commercial Shellfish program and include personnel to administer the program. This includes administration, program management, inspections (licensing), environmental sampling, communication, outreach, technical assistance, training, emergency management preparation, development and implementation of legislation, and external relations.

The Commercial Shellfish Program has a total of 12.35 full-time equivalent (FTE) staff providing operational support.



- 5.0 FTE shellfish inspection staff: Inspect all commercial shellfish operations. Depending on the commercial shellfish operation's license classification, this could be up to 4 inspections annually. Inspectors also conduct Vibrio checks, illness investigations, and complaint inspections. Inspectors also issue export certificates.
- 1.0 FTE inspection supervisor: This position oversees the inspection staff. They ensure the inspection team is conducting inspections on time and consistently.

- 1.75 FTE biotoxin specialists & sampling staff: They coordinate volunteers, local agency help, and other agency sampling efforts at over 110 sites around western WA. The biotoxin team opens and closes commercial and recreational beaches proactively based on biotoxin levels. They also look at historical and current biotoxin data and assist with research projects.
- 1.0 FTE harvest site specialist: Tracks all harvest sites for the commercial shellfish operations licensed in WA state. They add new harvest sites for each operation who applies; send the tribal 30-day notices and updates, including lease changes/extensions, species, additions, and withdrawals; and conduct monthly audits to check for expired leases.
- 1.0 FTE Vibrio/illness prevention coordinator: Tracks all shellfish related foodborne illness. They monitor for outbreaks and will coordinate investigations with the shellfish inspectors and local health inspectors. During Vibrio season, they set up the Vibrio sampling program and assist in hiring and training non-permanent summer sampling assistants, however due to budget restrictions the program will not be able to facilitate this for the summer season of 2025.
- 0.5 FTE licensing and permit specialist: Coordinates all licensing paperwork for new, renewed, and expired operations.
- 1.0 FTE administrative assistant: This position assists in helping with Public Disclosure Requests, coordinating meetings, taking notes, setting up HACCP class, procurement requests, processing mail, and answering phone calls from the public.
- 1.0 FTE section manager: This position ensures the entire Shellfish Licensing and Certification section is operating efficiently and effectively in alignment with rule, policy, and procedure. This position coordinates with other offices, federal and state agencies, and industries to identify gaps and fix issues that arise.
- 0.6 other office support: These positions assist in many ways, including IT systems management, financial management, contract management, administration assistance, and support by the Office of Environmental Health and Safety Deputy Director.

Health Technology Solutions (HTS) activities include operations and maintenance costs for databases that maintain all program data. The program has three databases that perform the necessary functions for the program. Two data systems are maintained in-house, Shellfish PHD and EH Invoicing. EH Invoicing tracks billing and revenue information and Shellfish PDH houses all harvest site, biotoxin, and Vibrio data. The third IT solution, HealthSpace, is for shellfish licensing and contains all inspection data for the Commercial Shellfish program.

Indirect costs are agency-wide, general management costs necessary for any program to exist and consist of administrative activities for the general operation of the agency. Examples of indirect costs include financial services, human resources, and information resource management. The indirect rate is a standardized method of charging individual programs for their share of indirect costs and is reviewed and approved annually by the federal U.S. Department of Health and Human Services.

Expenditure fluctuation from year to year includes staffing variances and decreases in travel from COVID impacts. Program operations expenditure reflects lower expenditure due to staffing turnover and 2-3 positions being vacant annually. The table below shows expenditures for each of these cost categories over the past six years. These expenditures reflect historical changes and therefore do not reflect any findings from the fee analysis. These are the full expenditures, including charges made to GFS on behalf of the fee, based on historical allocation which means that expenditures from testing may be listed in the licensing category for example.

Program Spending by Operation						
Fiscal Year	2019	2020	2021	2022	2023	2024
Licensing	823,748	1,207,294	1,150,041	1,134,637	1,348,172	1,510,085
Testing	933,436	534,865	537,549	683,043	678,256	783,456
Export Certificates	175,077	382,487	245,024	251,095	381,481	306,307
Subtotal	1,932,261	2,124,646	1,932,614	2,068,775	2,407,908	2,599,848

Cost Drivers

The cost to license and regulate the Department’s Commercial Shellfish program is primarily driven by the number of commercial shellfish operations and required inspections, the biotoxin testing requirements, and the demand for export certificates. Currently the Commercial Shellfish program regulates 329 operations with over 6,000 harvest sites and 120 biotoxin testing sites. Staffing costs account for 70% of total program costs. Inspections are conducted annually, on a cycle of one-, two- or four-times per year depending on operation type. Non-compliance inspections occur as required. The Commercial Shellfish program has averaged 1,094 inspections over the prior two calendar years. Onsite inspection times average between 43 to 107 minutes depending on operation type and size. Staff also provide export certificates, technical assistance, and permit inspections. Program travel costs account for three percent of total program costs, as the program keeps travel costs as low and efficient as possible by grouping inspections in the same area and scheduling staff to avoid multiple trips.

Testing services are provided by our Washington State Public Health Lab partners and on average have provided 1,914 tests annually over the past 4 years. Routine biotoxin testing is typically done by testing mussels, but other species can be requested when levels increase. Various tests are done to identify Diarrhetic Shellfish Poisoning (DSP), Paralytic Shellfish Poisoning (PSP), Amnesic Shellfish Poisoning (ASP), and *Vibrio parahaemolyticus* and *Vibrio vulnificus*. DSP, PSP, and ASP are tested year-round while *Vibrio* is only during the summer months. Testing services account for 17% of total Commercial Shellfish program costs.

Export certificates are requested by commercial shellfish operations and are processed daily. One staff member is available each day to respond to export certificate requests. Export certificates account for eight percent of the total Commercial Shellfish program costs.

The Department's Commercial Shellfish program is also supported by several shellfish databases as described in the cost section. Database costs are dependent upon the size of the program that affects data collection and output needs. Costs can increase if data system changes are required by changes in policy and rulemaking. The current databases provide detail and data at a sufficient level to regulate the Commercial Shellfish program. Costs to maintain these databases average six percent of total Commercial Shellfish program costs.

Fee Reserve

The Office of Financial Management (OFM) requires the Department to maintain a reasonable working capital reserve in state accounts to cover fluctuations in cash flow. The cash reserve should be enough to protect against financial volatility because of significant regulation activity or unforeseen changes in the Commercial Shellfish program trends.

Due to the size of this program, the fee balance is susceptible to expenditures resulting from system maintenance replacement costs, years of unusually high biotoxin levels, and the occurrence of other unforeseen events. Based on these factors, the Department needs the Commercial Shellfish program to build and maintain a reserve of 25 percent, currently around \$678,429 or approximately three months of annual expenditures.

The Commercial Shellfish program is currently in FY 2025 operating with a deficit fee balance of - \$132,880. The Commercial Shellfish program is currently operating at a deficit of this reserve in the amount of -\$811,309. FY 2025 is not yet complete, and the Department anticipates an increased deficit before year end.

Financial Forecast

Revenue

The Department does not anticipate any significant growth in shellfish operations over the next five years.

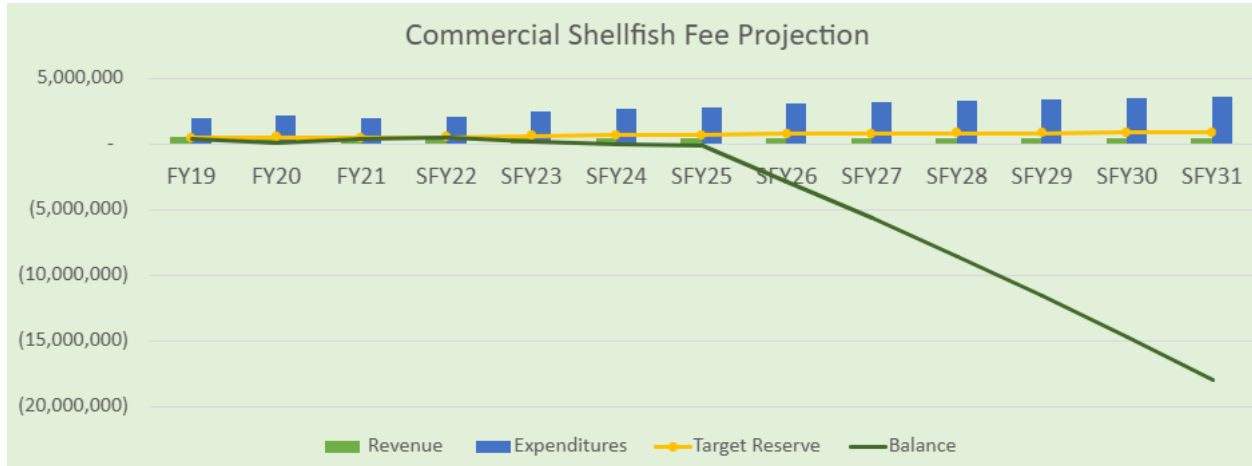
General Fund State (GFS) is currently projected to cover costs for *Vibrio parahaemolyticus* and *Vibrio vulnificus* monitoring, new or emerging policy work, and non-fee related travel and staffing costs. GFS will also cover program audit costs not included in this adopted fee increase. Program audit costs include harvest site and permit services as well as other miscellaneous services and costs. Over the biennium, the Department anticipates for year 1, GFS will cover 64% for annual license and 82% for biotoxin testing. And for year 2, GFS will cover 30% for annual license and 49% for biotoxin testing. This subsidy is already factored into the adopted fees showing what will be due annually. This subsidy will also be evaluated in the program audit and fees could change because of that audit. Due to the unpredictable nature of GFS funding, this portion of GFS funding is not guaranteed.

Expenditures

The Department anticipates costs for the Commercial Shellfish program to increase by three percent annually as well as salary increase costs for FY 26. Cost increases are primarily due to inflation in personnel-related costs, testing supplies, and service contracts.

Fee Reserve

The Department’s Commercial Shellfish program is not expected to generate enough revenue to cover costs over the next six years, and the reserve fee balance is operating at a deficit. The chart below shows actual revenue and expenditures from FY 2019 through FY 2025 and projected revenue and expenditures from FY 2026 through FY 2031.



Adopted Fee Proposal

As a first step to begin recovering Commercial Shellfish program costs by fee payers as required by state law [RCW 43.70.250](#) and to bring the Commercial Shellfish fee balance into alignment with requirements, the following fees are adopted:

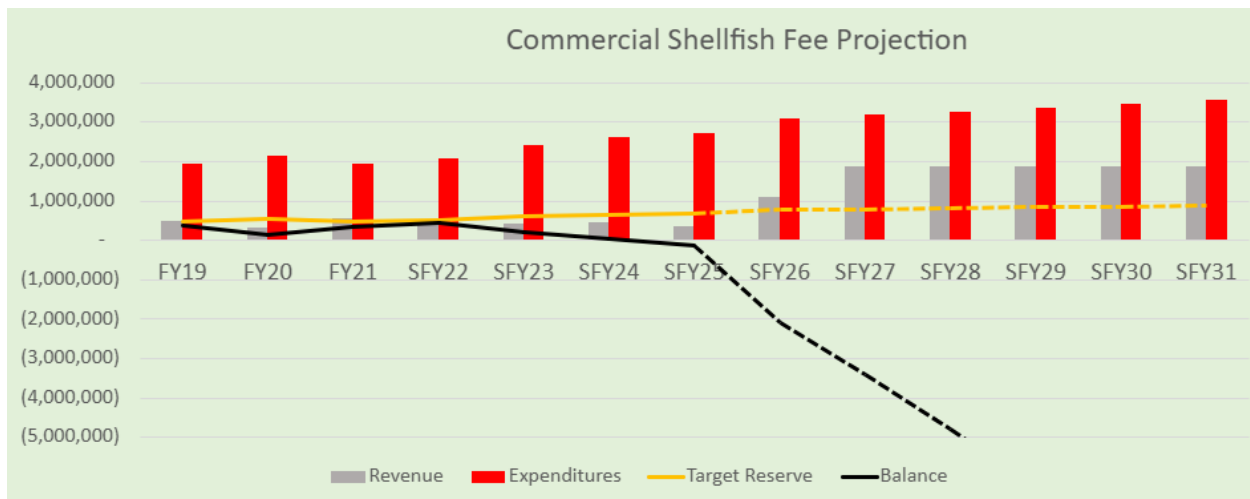
Operation	Current Fee	Year 1 Adopted Fee	Year 2 Adopted Fee
Annual License Fees		Subsidize increase 50%	Full Allowable Cost Fee
Harvester 2 or less	\$263	\$876	\$1,489
Harvester 3 or more	\$263	\$916	\$1,569
Shellstock Shipper (0-49 acres) 2 or less	\$297	\$1,954	\$3,611
Shellstock Shipper (0-49 acres) 3 or more	\$297	\$2,100	\$3,902
Shellstock Shipper (50 or greater acres) N/A	\$476	\$2,188	\$3,900

Shellstock Shipper Whole Sale Only		\$297	\$1,955	\$3,613	
Shellstock Shipper Wholesale DNR Tracts		\$297	\$1,811	\$3,322	
Shucker Packer (plants < 2000 sq ft) 2 or less		\$542	\$4,398	\$8,252	
Shucker Packer (plants < 2000 sq ft) 3 or more		\$542	\$4,816	\$9,090	
Shucker Packer (plants > 5000 sq ft) N/A		\$1,210	\$5,105	\$9,000	
Shucker Packer (plants 2000-5000 sq ft) 2 or less		\$656	\$5,512	\$10,368	
Shucker Packer (plants 2000-5000 sq ft) 3 or more		\$656	\$5,405	\$10,154	
New per Action Fees					
Non-Compliance Inspection - onsite		-	\$291	\$291	
Non-Compliance Inspection - virtual		-	\$64	\$64	
New/Expired License Fee		-	\$323	\$323	
Biotoxin Testing Fees			Current Fee	Year 1 Adopted Fee	Year 2 Adopted Fee
Operation Type	Acres/Plant Size	HS		No Change	Subsidize increase 50%
Harvester	N/A	2 or less	\$353	\$353	\$710
	N/A	3 or more	\$535	\$535	\$1,076
Shellstock Shipper	WS	WS	\$198	\$198	\$398
	0-49	2 or less	\$393	\$393	\$790
	0-49	3 or more	\$610	\$610	\$1,226
	50 or greater	N/A	\$961	\$961	\$1,933
Shucker Packer	plants < 2000 ft	2 or less	\$752	\$752	\$1,512
	plants < 2000 ft	3 or more	\$1,076	\$1,076	\$2,164

	plants 2000-5000 ft	2 or less	\$882	\$882	\$1,773
	plants 2000-5000 ft	3 or more	\$1,297	\$1,297	\$2,607
	plants > 5000 ft	N/A	\$2,412	\$2,412	\$4,848
Fee Category	Current Fee	Year 1 Adopted Fee		Year 2 Adopted Fee	
Other Fees		No Change		Subsidize increase 50%	
PSP Geoduck	\$188	\$188		\$297	
		Full Allowable Cost Fee		Full Allowable Cost Fee	
Export Certificates	\$55	\$159		\$159	

The Export Certificates Fee was determined by the price per certificate based on the average number of annual certificates issued without subsidy from General Fund State funding. The export certificate average expenses total \$358,768 per year and the Department on average processes 2,262 certificates. This results in \$159 per export certificate, rounded to the nearest whole dollar.

While the adopted fees increase the revenue and lessen the fund balance decrease, the increased revenue does not cover expenditures or match the target reserve. The chart below shows projected revenue and expenditures for current and adopted fees prior to any GFS subsidy from FY 2019 through FY 2031.



The Department will continue to monitor the financial health of the Commercial Shellfish program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.

WAC 246-358-990, Temporary Worker Housing Fees

Overview

The Department of Health (Department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Temporary Worker Housing program works to ensure temporary farmworker housing facilities meet state health and safety standards. We do this by inspecting farmworker housing facilities twice a year for licensing and operation. The Temporary Worker Housing program also inspects facilities when there is a change in ownership, increasing units/occupancy, or when a follow-up inspection is required. The program also investigates complaints and provides on-site technical assistance to growers, developers, housing contractors and anyone else interested in providing or improving temporary farmworker housing in Washington. The program works closely with the Construction Review Services team within the Department. [RCW 43.70.334 through 340](#) authorizes the Department to permit, license, and inspect temporary worker housing, as well as collaborate with the Washington State Department of Labor & Industries and Employment Security Department. There are two chapters of rules that pertain to temporary worker housing – chapter 246-358 WAC (Temporary Worker Housing) and chapter 246-359 WAC (Temporary Worker Housing Construction Standards).

[RCW 43.70.340](#) authorizes the Department to establish and collect fees sufficient to cover the costs of the permitting, licensing, and inspection program. [RCW 43.70.250](#) authorizes the Secretary of Health to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license.

The Department has completed a financial assessment, which included performing a time study as part of this analysis, and determined the current fees are not generating sufficient revenue to cover the operating costs over the biennium. Considering the program's financial forecast, the Department adopts a fee adjustment to address existing program deficits, increased program expenses, and reductions in funding from General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

This document summarizes data on revenue, expenditures, fee reserve, cost drivers, financial forecast, and the changes to existing fees.

Current Financial Status

The Department's Temporary Worker Housing program currently, fiscal year (FY) 2025, has a fee balance of \$138,889. The fee balance is currently operating at a deficit of the recommended reserve balance of \$151,031. The reserve balance only exists due to the use of other funding sources for 80% of the program's expenditures. The Temporary Worker Housing program is projected to continue depleting the reserve in FY 2025 and increasing the deficit each year through FY 2027.

Revenue

The Department currently licenses 618 facilities in Washington state ([RCW 43.70.334-340](#)). The Temporary Worker Housing program has averaged a two percent growth rate over the past four years.

Fees

Annual license fees charged at initial application and renewal generate revenue for this program ([WAC 246-358-990](#)). The last fee changes occurred in July 2014 decreasing the fees. Revenue has been consistent for the past four years.

Expenditures

Costs for the Department's Temporary Worker Housing program are classified into two primary cost categories: Operations and Indirect.

Program Spending by Operation						
Fiscal Year	FY19	FY20	FY21	FY22	FY23	FY24
Operations	385,287	513,200	472,951	574,395	702,294	745,438
Indirect	128,429	171,067	157,650	191,465	234,098	248,479
Total	513,716	684,266	630,601	765,861	936,392	993,917

Financial Forecast

Revenue

The Department does anticipate growth in licensees over the next five years. Operations are projected to continue renewing at an average growth of two percent with additional increases possible due to the addition of facilities with nine or less occupants. The Department expects these trends to continue.

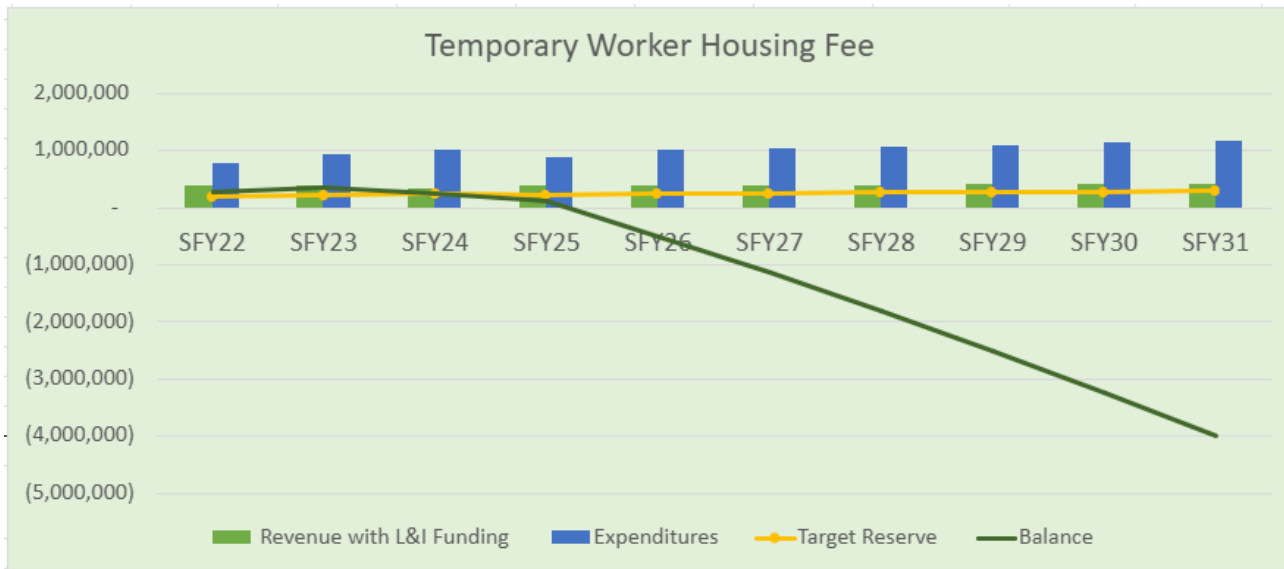
Expenditures

The Department anticipates costs for the Temporary Worker Housing program personnel to increase by three percent annually. Cost increases are primarily due to inflation for personnel-related costs. The Temporary Worker Housing program needs a fee adjustment to address existing program deficits, increased program expenses, and reductions in funding from the General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

Fee Reserve

The Temporary Worker Housing program is not expected to generate enough revenue to cover costs over the next six years, which includes the necessary drawdown of the reserve fee balance.

The chart below shows actual revenue and expenditures from FY 2019 through FY 2024, and projected revenue and expenditures from FY 2025 through FY 2031.



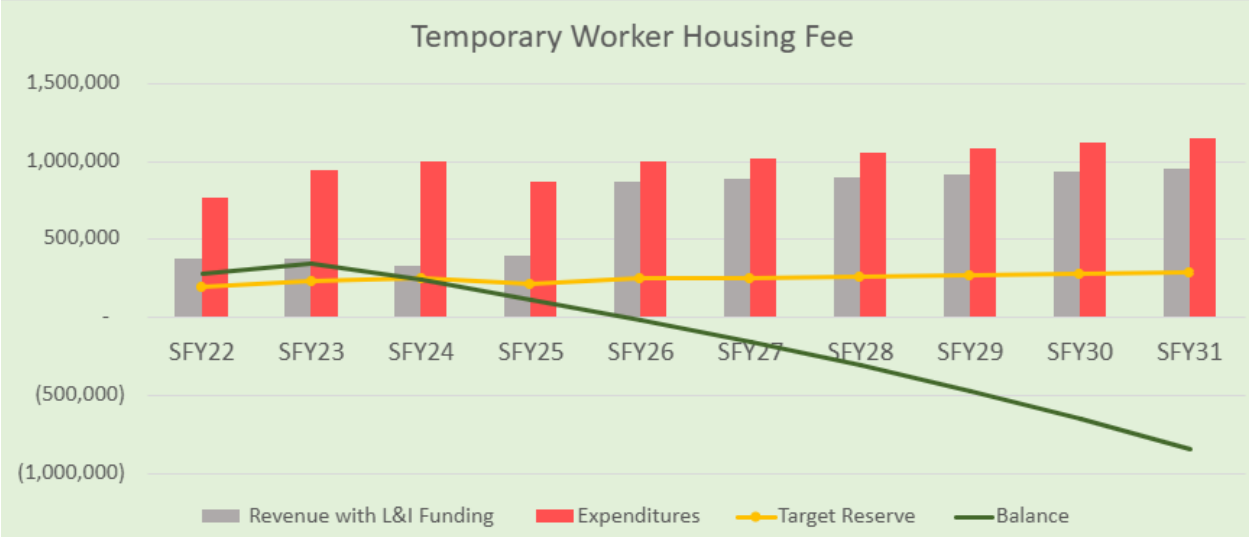
Adopted Fee Proposal

To address existing program deficits, increased program expenses, and reductions in funding from the General Fund State (GFS) account and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167), the following fees are adopted:

Adopted Fee Proposal			
Type	Title of Fee	Current Fee	Adopted Fee
Licensing Fee	Administrative Processing fee	\$50	\$170
	per occupant @ maximum annual occupancy	\$4	\$14
	Minimum operating license fee	\$90	\$310
License, Self Survey Program	Administrative processing fee (no per occupant or minimum charge fees)	\$50	\$170
New pre-application onsite technical assistance	Pre-application onsite technical assistance includes up to 2 hours, hourly rate after	N/A	\$232
	Pre-application onsite technical assistance hourly rate	N/A	\$116
Late Fee		\$100	\$340
Refunds	Operator provides documentation TWH was not occupied during license period - refund 2/3 fees paid minus processing fee if application received but no preclosure inspection performed	\$50	\$170

	DOH will refund 1/3 of fees paid, minus processing fee, if application received and precensure inspection was performed	\$50	\$170
	No refunds if more than 1 on-site inspection or 1 year since app was received but no license issued because applicant failed to complete	N/A	N/A
	DOH will refund for every occupant fewer than maximum occupants, if application is received and no precensure inspection conducted	\$4	\$14
	DOH will refund for every occupant fewer than maximum occupants, if application received & precensure inspection has been performed (no refund if more than 1 inspection has occurred or more than one year has elapsed)	\$2	\$7

This adopted proposal allows the Department to cover most of the program expenditures and sustain a small reserve balance through FY 2027 with continued subsidy from the GFS account and Washington State Department of Labor and Industries funding. The chart below shows actual and projected revenue and expenditures for current and adopted fees from FY 2019 through FY 2031.



The Department will continue to monitor the financial health of the Temporary Worker Housing program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.

WAC 246-360-990, Transient Accommodations Fees

Overview

The Department of Health (Department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Transient Accommodations program works to ensure transient accommodation facilities meet state health and safety standards. Transient accommodations are facilities that offer three or more lodging units to guests for periods of less than thirty days. Facilities include hotels, motels, bed and breakfasts, resorts, inns, condominiums, crisis shelters, hostels, and retreats. The Transient Accommodations program inspects transient accommodations before initial licensure and routinely for relicensing. Inspections also happen when there is a change in ownership, relicensing, we receive a complaint, or we determine that a follow-up inspection is necessary. The Transient Accommodations program investigates complaints, provides technical assistance, and coordinates with local health jurisdictions, local zoning and code enforcement agencies, and law enforcement. [Chapter 70.62 RCW](#) authorizes the Department to permit, license, and inspect transient accommodations.

[RCW 70.62.220](#) authorizes the Department to establish and collect fees sufficient to cover the costs of licensure and enforcement activities. [RCW 43.70.250](#) authorizes the Secretary of Health to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license.

The Department has completed a financial assessment, which included performing a time study as part of this analysis, and determined the current fees are not generating sufficient revenue to cover the operating costs over the biennium. Considering the program's financial forecast, the Department adopts a fee adjustment to address existing program deficits, increased program expenses, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

This document summarizes data on revenue, expenditures, fee reserve, cost drivers, financial forecast, and the changes to existing fees.

Current Financial Status

The Department's Transient Accommodations program currently, fiscal year (FY) 2025, has a fee balance of \$751,853. The fee balance is currently operating at a surplus of the recommended reserve balance of \$219,349. The program's current revenue is not sufficient to cover the current expenditures, nor will it be sufficient to cover known increased expenditures for the biennium, which will continue to draw down and deplete the reserve balance. The program is projected to deplete the reserve starting FY 2027 and increase the deficit each year through FY 2031.

Revenue

The Department currently licenses 1,447 facilities in Washington state ([RCW 43.70.250](#)). The Transient Accommodations program has averaged a two percent decline in revenue in the past 4 years.

Fees

Annual license fees charged at initial application and renewal generate revenue for this program ([WAC 246-360-990](#)). The last fee changes occurred in 2018, increasing the fees. Revenue has been decreasing for the past 4-year average.

Expenditures

Costs for the Department’s Transient Accommodations program are classified into two primary cost categories: Operations and Indirect.

Program Spending by Operation						
Fiscal Year	FY19	FY20	FY21	FY22	FY23	FY24
Operations	505,077	585,970	491,180	378,670	563,884	620,044
Indirect	119,656	160,396	127,441	101,013	145,646	153,410
Total	624,733	746,365	618,621	479,682	709,531	773,454

Financial Forecast

Revenue

The Department does not anticipate any significant growth in licensees over the next five years. Operations are projected to continue declining by an average of two percent annually. We expect these trends to continue.

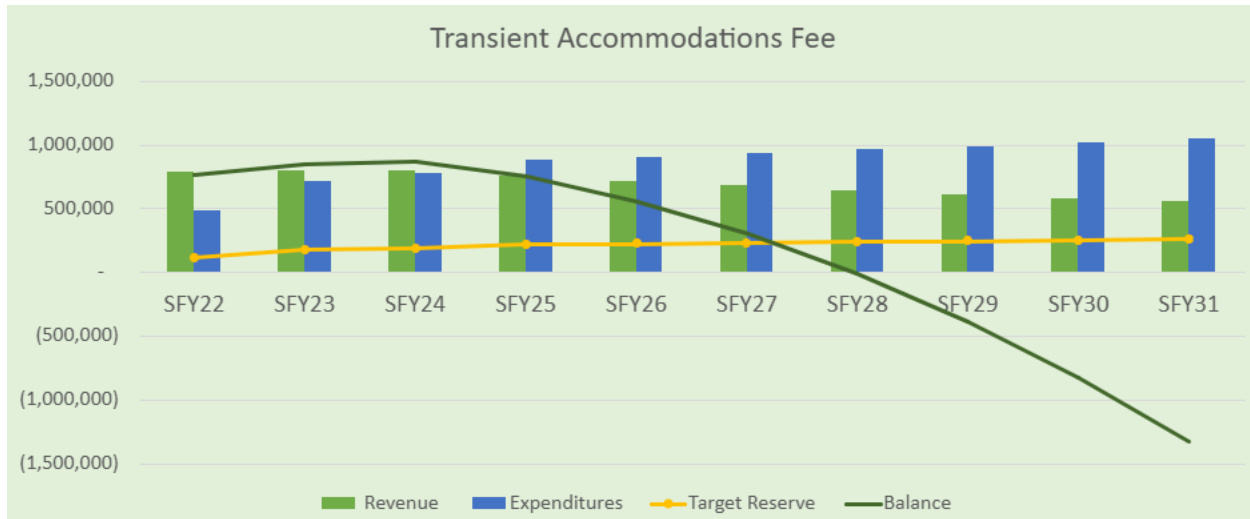
Expenditures

The Department anticipates costs for the Transient Accommodations program personnel to increase by three percent annually. Cost increases are primarily due to inflation for personnel-related and travel costs. The Transient Accommodations program needs a fee adjustment to address existing program deficits, increased program expenses, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

Fee Reserve

The Transient Accommodations program is not expected to generate enough revenue to cover costs over the next six years, which includes the necessary drawdown of the reserve fee balance.

The chart below shows actual revenue and expenditures from FY 2019 through FY 2024, and projected revenue and expenditures from FY 2025 through FY 2031.

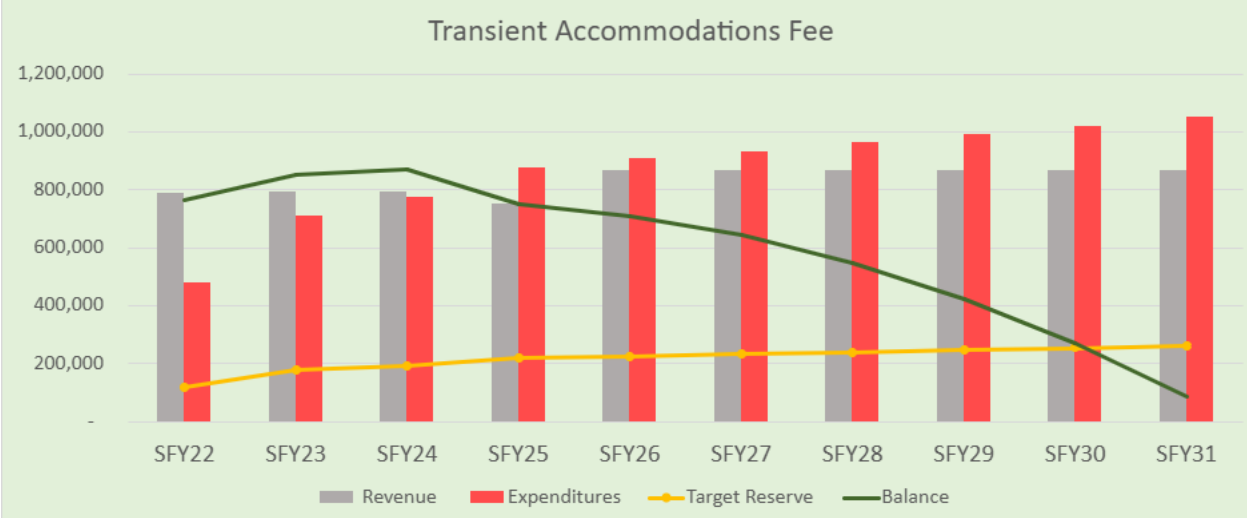


Adopted Fee Proposal

To address existing program deficits, increased program expenses, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167), the following fees are adopted:

Adopted Fee Proposal			
Type	Title of Fee	Current Fee	Adopted Fee
Initial or annual license renewal fee by number of lodging units	3-10	\$198	\$230
	11-49	\$395	\$458
	50-over	\$795	\$922
Late fee 1-35 days past due		\$66	\$77
Late fee over 35 days past due		N/A	\$300
Amended license fee: 2-hour minimum		\$60	\$232
Amended license fee hourly rate after 2-hour minimum		N/A	\$116
If an application has been received but no on-site survey or technical assistance has been performed by the department, the department will refund 2/3 of fees paid, minus processing fee		\$50	\$58
If an application has been received and an on-site survey or technical assistance has been performed by the department, the department will refund 1/3 of fees paid, minus processing fee		\$50	\$58

This adopted proposal allows the Department to cover most of the program expenditures and sustain a small reserve balance through FY 2031. The chart below shows actual and projected revenue and expenditures for current and adopted fees from FY 2019 through FY 2031.



The Department will continue to monitor the financial health of the Transient Accommodations program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.

WAC 246-380-990, Food Service Fees

Overview

The Department of Health (Department), Office of Environmental Health and Safety, works to protect and improve the health of all people in Washington State. The Food Safety program works to ensure safe practices in retail and food service settings to minimize the incidence of foodborne illness. We work in partnership with the food service industry and local, state, and federal agencies, in particular local health departments. In close collaboration with these partners, the Food Safety program focuses on activities to: strengthen regulation and polices for prevention of foodborne illness; educate public health professionals, food service employees, and consumers on safe practices; and respond to foodborne illness outbreaks and food-related emergencies. The Food Safety program provides technical assistance and training statewide. Additionally, the program inspects and permits food establishments for 13 state facilities and institutions. The Department uses [chapter 246-215 WAC](#), Washington State Food Service rule to regulate these food establishments.

[RCW 43.70.250](#) authorizes the Secretary of Health to establish various fees associated with licensing and regulation of professions, occupations, or businesses. These fees must be set at a level that covers the costs of administering each program or license.

The Department has completed a financial assessment and determined the current fees are not generating sufficient revenue to cover the operating costs over the biennium. Considering the program's financial forecast, the Department adopts a fee adjustment to address existing program deficits, increased program expenses, reductions in funding from General Fund State (GFS) and Foundational Public Health Services (FPHS) accounts, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

This document summarizes data on revenue, expenditures, fee reserve, cost drivers, financial forecast, and the changes to existing fees.

Current Financial Status

The Department's Food Safety Inspection program ended fiscal year (FY) 2024 with a fee balance of \$9,794, operating at a deficit of the recommended reserve balance of \$19,826. The program is projected to deplete the reserve in FY 2025 and increase the deficit each year through FY 2031.

Revenue

The Department currently regulates 71 facilities in Washington state ([RCW 43.70.250](#)). The Food Safety Inspection program has averaged a five percent increase in revenue.

Fees

Annual permit fees charged at initial application and renewal generate revenue for this program ([WAC 246-380-990](#)). The last fee changes occurred in 2006, increasing the fees approximately three percent. Revenue has been increasing for the past three years due to growth in the number of facilities.

Expenditures

Costs for the Department’s Food Safety Inspection program are classified into two primary cost categories: Operations and Indirect.

Program Spending by Operation						
Fiscal Year	FY19	FY20	FY21	FY22	FY23	FY24
Operations	55,152	79,916	41,970	37,237	68,002	59,477
Indirect	18,384	26,639	13,990	12,412	22,667	19,826
Total	73,536	106,555	55,960	49,650	90,669	79,303

Financial Forecast

Revenue

The Department does not anticipate any significant growth in permittees over the next five years. Operations are projected to continue increasing by an average of five percent annually. The Department expects these trends to continue.

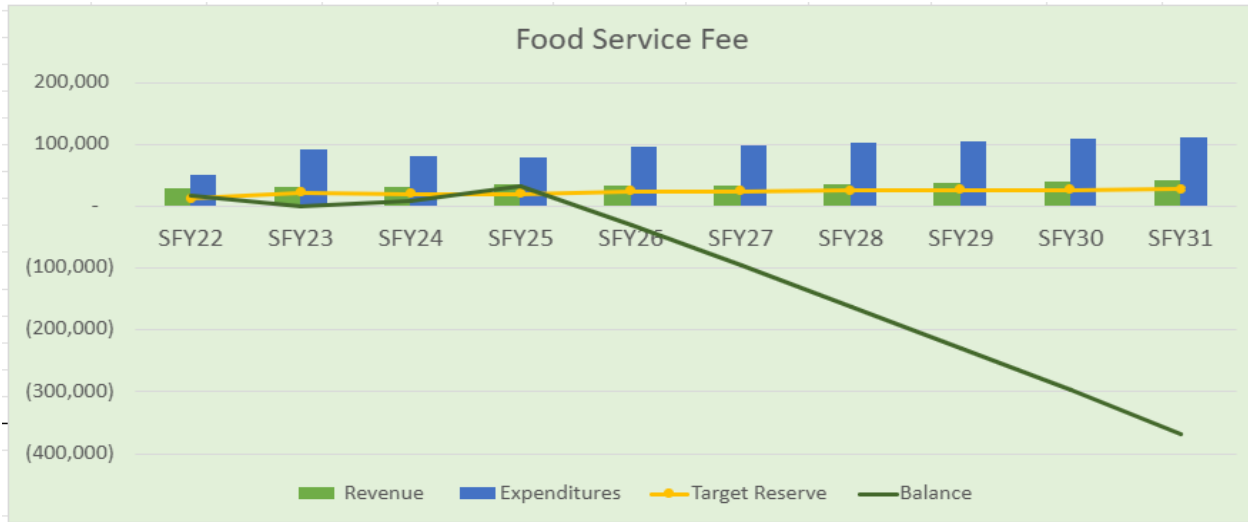
Expenditures

The Department anticipates costs for Food Safety Inspection program personnel to increase by three percent annually. Cost increases are primarily due to inflation for personnel-related costs. The Food Safety program needs a fee adjustment to address existing program deficits, increased program expenses, reductions in funding from General Fund State (GFS) and Foundational Public Health Services (FPHS) accounts, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167).

Fee Reserve

The Food Safety Inspection program is not expected to generate enough revenue to cover costs over the next six years, which includes the necessary drawdown of the reserve fee balance.

The chart below shows actual revenue and expenditures from FY 2019 through FY 2024, and projected revenue and expenditures from FY 2025 through FY 2031.

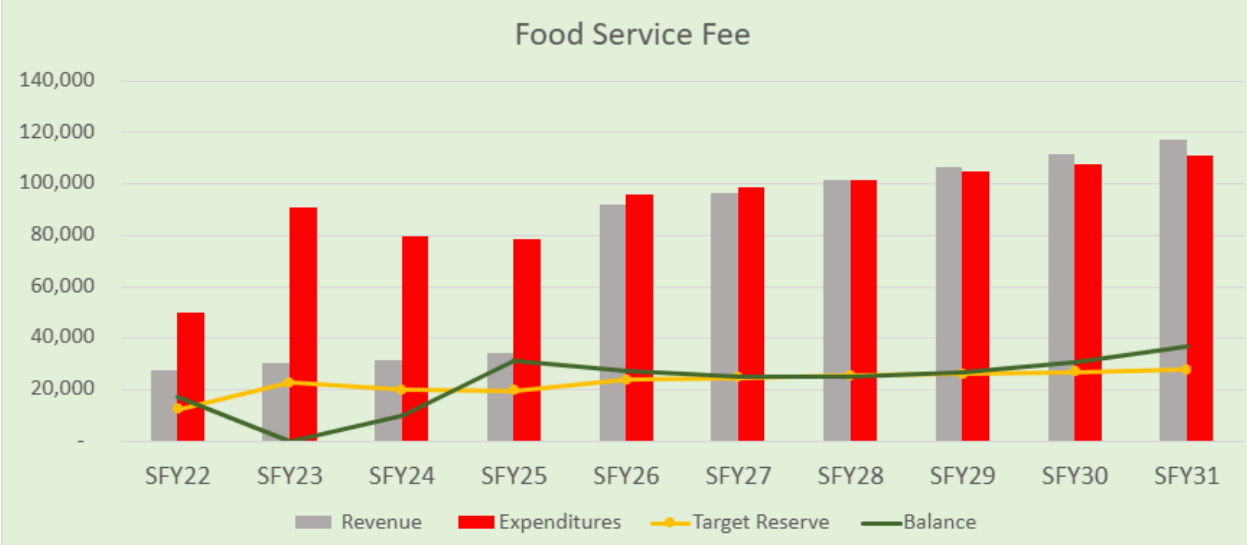


Adopted Fee Proposal

To address existing program deficits, increased program expenses, reductions in funding from General Fund State (GFS) and Foundational Public Health Services (FPHS) accounts, and cost-of-living adjustments made in the 2025-2027 state budget (ESSB 5167), the following fees are adopted:

Adopted Fee Proposal			
Type	Title of Fee	Current Fee	Adopted Fee
Food Service in community colleges, ferries, or any other state of Washington facility	Prepares potentially hazardous foods	\$603.30	\$1,569.00
	Does not prepare potentially hazardous foods	\$302.60	\$787.00
New Plan Review Fee includes 4 hours of review time additional hourly charge for anything over 4 hours	Base Fee	N/A	\$1,569.00
	Hourly Rate	N/A	\$392.00
State institutions or facilities.	Operating a food service Annual Base Fee	\$603.30	\$1,569.00
	Base fee plus operating a food service annual fee times population count	\$9.50	\$25.00
	Do not operate a food service annual fee times population count only	\$9.50	\$25.00

This adopted proposal allows the Department to cover most of the Food Safety Inspection program expenditures and maintain a reserve balance through FY 2031. The chart below shows actual and projected revenue and expenditures for current and adopted fees from FY 2019 through FY 2031.



The Department will continue to monitor the financial health of the Food Safety Inspection program over a six-year outlook and propose fee adjustments as needed to comply with statutory requirements.