

Multiple Agency Fiscal Note Summary

Bill Number: 1084 HB	Title: Higher ed. athlete comp.
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Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of Attorney General	0	166,000	0	72,000	0	0
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Total \$	0	166,000	0	72,000	0	0

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of Attorney General	1.1	141,740	307,740	.5	64,000	136,000	.2	64,000	64,000
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Eastern Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Central Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
The Evergreen State College	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Western Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Community and Technical College System	Fiscal note not available								
Total \$	1.1	141,740	307,740	0.5	64,000	136,000	0.2	64,000	64,000

Estimated Capital Budget Expenditures

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

ENPID: 53705

FNS029 Multi Agency rollup

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Eastern Washington University	.0	0	0	.0	0	0	.0	0	0
Central Washington University	.0	0	0	.0	0	0	.0	0	0
The Evergreen State College	.0	0	0	.0	0	0	.0	0	0
Western Washington University	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Breann Boggs, OFM	Phone: (360) 902-0659	Date Published: Preliminary 1/28/2019
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

ENPID: 53705

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 1084 HB	Title: Higher ed. athlete comp.	Agency: 100-Office of Attorney General
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2020	FY 2021	2019-21	2021-23	2023-25
Legal Services Revolving Account-State 405-1	92,000	74,000	166,000	72,000	
Total \$	92,000	74,000	166,000	72,000	

Estimated Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.6	1.6	1.1	0.5	0.2
Account					
General Fund-State 001-1	0	141,740	141,740	64,000	64,000
Legal Services Revolving Account-State 405-1	92,000	74,000	166,000	72,000	0
Total \$	92,000	215,740	307,740	136,000	64,000

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: Trudes Tango	Phone: 360-786-7384	Date: 01/17/2019
Agency Preparation: Cam Comfort	Phone: (360) 664-9429	Date: 01/22/2019
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 01/22/2019
OFM Review: Gwen Stamey	Phone: (360) 902-9810	Date: 01/23/2019

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.

Fiscal Impact is \$50,000 or greater per fiscal year in the current biennium or in subsequent biennia.

Section 1 is a new section stating legislative findings.

Section 2 adds a new section to RCW 19.86 and provides that students as defined in the statute may receive fair market compensation for services actually provided and agree to be represented by an agent for any purposes. Various prohibitions are provided. A violation of the prohibitions are declared not reasonable, unfair or deceptive acts in trade or commerce, and unfair methods of competition for purposes of RCW 19.86.

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.

Cash receipts are assumed to equal the Legal Service Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agencies are Washington State University (WSU) and the University of Washington (UOW). The AGO will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agencies' fiscal note. Appropriation authority is necessary in the AGO budget.

AGO Consumer Protection activities are funded with General Fund-State dollars. No cash receipt impact. There is no client agency to bill for legal services.

AGO AGENCY ASSUMPTIONS:

WSU will be billed:

FY 2020: \$46,000.

FY 2021: \$37,000.

FY 2022 and FY 2023: \$18,000.

UOW will be billed:

FY 2020: \$46,000.

FY 2021: \$37,000.

FY 2022 and FY 2023: \$18,000.

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.

AGO Agency Assumptions:

1. Legal services associated with the enactment of this bill will begin on July 1, 2019.
2. This request does not include cost of living salary increases identified in the Governor's proposed 2019-21 budget.
3. The AGO Education (EDU) division has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing statewide public higher education institutions. This bill is certain to raise question from the colleges and universities, particularly those that participate in intercollegiate athletics. Responding to these questions is assumed to be nominal time, and costs are not included in this request.
4. The AGO Regional Services Division (RSD) has reviewed this bill and determined it will not significantly increase the division's workload in representing Western Washington University (WWU). RSD anticipates WWU will seek client advice if this bill passes, however, the advice sought is assumed nominal and provided with existing resources. Costs are not included in this request.

Assumptions for the AGO's Washington State University divisions Legal Services for WSU:

1. The AGO will bill WSU for legal services based on the enactment of this bill.
2. Legal services include advising WSU on the impact of the legislation, and coordinating a response/policy moving forward, and litigating issues that arise.
3. There is potential for litigation although it is not assumed. Litigation may arise in a variety of scenarios. For example, a student athlete initiating legal action against WSU alleging an unfair business practice; eligibility determinations; sanctions from the NCAA. Nationwide, there is already ongoing litigation initiated by student athletes (not WSU students) against the NCAA alleging anti-trust violations. The resolution of that case could also impact the athletics program in a similar way.
4. Legal services will reduce over time. This law will require a lot of initial planning and response. Once the processes are in place and WSU has advised the client (and after any related litigation), the need for advice or legal services should dwindle.
5. Total workload impact:
FY 2020: 0.25 AAG at a cost of \$46,000.
FY 2021: 0.20 AAG at a cost of \$37,000.
FY 2022 and FY 2023: 0.10 AAG at a cost of \$18,000.
6. Ongoing legal services are not anticipated beginning in FY 2024. Costs are not included in this request.

Assumptions for the AGO University of Washington Legal Services for the UOW:

1. The AGO will bill UOW for legal services based on the enactment of this bill.

2. Legal services include advising UOW on the impact of the legislation, and coordinating a response/policy moving forward, and litigating issues that arise.
3. There is potential for litigation although it is not assumed. Litigation may arise in a variety of scenarios. For example, a student athlete initiating legal action against the UOW alleging an unfair business practice; eligibility determinations; sanctions from the NCAA. Nationwide, there is already ongoing litigation initiated by student athletes (not UW students) against the NCAA alleging anti-trust violations. The resolution of that case could also impact the athletics program in a similar way.
4. Legal services will reduce over time. This law will require a lot of initial planning and response. Once the processes are in place and UW has advised the client (and after any related litigation), the need for advice or legal services should dwindle.
5. Total workload impact:
FY 2020: 0.25 AAG at a cost of \$46,000.
FY 2021: 0.20 AAG at a cost of \$37,000.
FY 2022 and FY 2023: 0.10 AAG at a cost of \$18,000.
6. Ongoing legal services are not anticipated beginning in FY 2024. Costs are not included in this request.

Assumptions for the AGO Consumer Protection Division's Legal Services:

1. AGO CPR activities are funded with General Fund-State dollars. CPR enforces the Consumer Protection Act with respect to conduct that is made unlawful under RCW 19.86.020, which broadly prohibits unfair or deceptive acts or practices in trade or commerce. CPR focus is on representations and failures to disclose terms and conditions.
2. CPR assumes legal challenges to this bill, however, CPR will not defend the bill against legal challenges.
3. CPR will conduct one full investigation that may lead to court action, which likely will resolve with summary judgment because it is unlikely that there will be any disputed facts. CPR assumes this investigation and court action will occur in FY 2021.
4. After the initial court action, the AGO assumes the market will come into full compliance.
5. CPR assumes ongoing legal services for Investigate allegations of violation of statute, including interviewing student athletes, and higher education institution personnel.
6. Litigation costs are included in this request.

FY 2021: 4,740 for one court action. \$240 court filing fee; \$2,500 deposition costs; \$500 in-state travel costs; \$1500 out-of-state travel costs.

FY 2022 and in each FY thereafter: \$250 for in-state travel to interview witnesses.

7. Total workload impact:

FY 2021: 0.20 AAG, 0.20 Paralegal (PL), 0.50 Investigator (INV) and 0.10 Legal Assistant at a cost of \$141,740 (this includes litigation costs of \$4,740).

FY 2022 and in each FY thereafter: 0.05 AAG, 0.05 PL and 0.10 INV at a cost of \$32,000 (this includes investigation costs of \$250).

Note: Agency administration support FTEs are included in the tables below, using a Management Analyst 5 as a representative classification.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	141,740	141,740	64,000	64,000
405-1	Legal Services Revolving Account	State	92,000	74,000	166,000	72,000	0
Total \$			92,000	215,740	307,740	136,000	64,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.6	1.6	1.1	0.5	0.2
A-Salaries and Wages	62,000	136,000	198,000	88,000	40,000
B-Employee Benefits	20,000	46,000	66,000	30,000	14,000
C-Professional Service Contracts		2,740	2,740		
E-Goods and Other Services	10,000	27,000	37,000	16,000	8,000
G-Travel		3,000	3,000	2,000	2,000
J-Capital Outlays		1,000	1,000		
Total \$	92,000	215,740	307,740	136,000	64,000

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 2020	FY 2021	2019-21	2021-23	2023-25
Assistant Attorney General	103,560	0.5	0.6	0.6	0.3	0.1
Legal Assistant 3 (Seattle)	59,144		0.1	0.1		
Management Analyst 5	77,614	0.1	0.2	0.1	0.1	
Paralegal 2	65,288		0.2	0.1	0.1	0.1
Senior Investigator	85,668		0.5	0.3	0.1	0.1
Total FTEs		0.6	1.6	1.1	0.5	0.2

III. D - Expenditures By Program (optional)

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Consumer Protection Division (CPR)		141,740	141,740	64,000	64,000
University of Washington Division (UOW)	46,000	37,000	83,000	36,000	
Washing State University Division (WSU)	46,000	37,000	83,000	36,000	
Total \$	92,000	215,740	307,740	136,000	64,000

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None

Individual State Agency Fiscal Note

Bill Number: 1084 HB	Title: Higher ed. athlete comp.	Agency: 360-University of Washington
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

Non-zero but indeterminate cost. 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: Trudes Tango	Phone: 360-786-7384	Date: 01/17/2019
Agency Preparation: Jed Bradley	Phone: 2066164684	Date: 01/22/2019
Agency Approval: Kelsey Rote	Phone: 2065437466	Date: 01/22/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/28/2019

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.

Section 1 established the intent that students enrolled at higher education institutions should have a right to earn compensation for services; be paid for the use of their name, image and likeness; and to hire agents to represent their interest.

Section 2(1) defines institutions of higher education to include state universities.

Section 2(2) establishes that any student at an institution of higher education may receive compensation for services actually provided, as long as the compensation is commensurate with the market value of those services. Students may also agree to be represented by an agent for any purpose.

Sections 2(3) through 2(5) prohibit the following activities relating to students engaging in the activity in Section 2(2): no person may prohibit a student from competing in an intercollegiate competition or penalize a student; no person may prohibit or suspend an institution of higher education's athletic team from competing or otherwise penalize an institution of higher education because its student has engaged in such activity; no person may request or require that an institution prohibit or limit the ability of students to engage in the conduct in order for the institution's students to be eligible, or remain eligible, to compete.

Section 2(6) prohibits disciplining an institution of higher education because the institution has certified the eligibility of, or otherwise permitted, a student who engaged in the conduct in Section 2(2), or because the institution did not certify the eligibility of a student to participate solely because he or she engaged in the conduct in Section 2(2). Discipline is defined as including, but not being limited to, terminating or suspending the membership of an institution of higher education and prohibiting other members from participating in intercollegiate athletic competitions with an institution of higher education.

Section 2(7) indicates that violations of Sections 2(3) through 2(6) are not reasonable in relation to the development and preservation of business, and are unfair or deceptive acts in trade or commerce and unfair methods of competition.

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.

RCW 28B.10.703 permits the UW to establish intercollegiate athletic programs and participate as a member of athletic conferences, in accordance with conference rules. Both the National Collegiate Athletic Association (NCAA) and Pac-12 Conference have rules that prohibit activities that would be authorized under this bill. Violating these rules would potentially subject the University and/or its students to investigations, hearings, fines, and disqualification from events, and other sanctions. These matters could lead to a decrease in ticket sales and athletic events, and could also cause the University to breach contracts including, but not limited to, those related to apparel and media rights. Given several unknowns, the cash receipts impact of this bill is highly indeterminate, but would be significant.

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.

Intercollegiate athletics programs at the University of Washington are governed by rules set by the NCAA and Pac-12. In general, NCAA and Pac-12 rules limit compensation to student athletes to scholarships for tuition and related expenses. This bill would permit additional compensation and would permit students to be represented by an agent. It is unknown what legal action these entities or others would take as a result of this bill, or what fines or sanctions would be levied, but it could result in significant costs for the state and the University. These costs are indeterminate, but are assumed to be significant.

If this bill were to pass, the University would not be in a position to provide additional compensation to student athletes. Therefore, we do not expect that being permitted to provide additional compensation would represent additional costs. It is possible, however, that outside entities would provide compensation to student athletes consistent with this bill. If that were to occur, the University would potentially be exposed to legal liability under Title IX if athletes in certain programs were to receive payments exceeding those in other programs. Those legal costs are indeterminate, but are assumed to be significant.

Other potential costs include the need to review student athlete payments to determine if they were for services provided and commensurate with the market as a result of Section 2(2), and legal costs associated with violations of consumer protection laws as a result of Section 2(7).

Therefore, any costs related to this bill are indeterminate or unknown. We assume, however, that these costs would be significant and would far exceed \$50,000 per year.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1084 HB	Title: Higher ed. athlete comp.	Agency: 365-Washington State University
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

Non-zero but indeterminate cost. 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: Trudes Tango	Phone: 360-786-7384	Date: 01/17/2019
Agency Preparation: Chris Jones	Phone: 509-335-9682	Date: 01/23/2019
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 01/23/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/28/2019

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.

Section 2 of HB 1084 grants student athletes at institutions of higher education the following rights:

- To receive compensation for services provided, including the use of the student's name, image, or likeness, as long as the compensation is commensurate with the market value of the services provided
- To obtain the representation of an agent

Section 3 prohibits the suspension or penalization of a student because the student has engaged in the conduct described above in Section 2.

Section 4 prohibits the suspension or penalization of an institution of higher education's athletic team because a student athlete has engaged in the conduct described above.

Section 5 prohibits persons from requesting or requiring that an institution of higher education prohibit or limit the conduct above in order to maintain eligibility for competing in intercollegiate athletic competitions.

Section 6 (a) prohibits disciplinary action against an institution of higher education that (i) certified the eligibility of a student who engaged in the conduct above or (ii) did not certify the eligibility of a student to participate in completion solely because he or she engaged in the conduct described above.

Section 7 states that violations of Sections (3) through (6) are unfair or deceptive acts in trade or commerce and unfair methods of competition.

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.

HB 1084 would permit student athlete conduct that is currently disallowed by NCAA regulations. If implemented, the bill could expose WSU to the risk of being sanctioned and penalized by the NCAA, including being barred from competition. This could result in a significant loss of athletic revenues from ticket sales, media rights, royalties and advertisements, and other activities.

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.

HB 1084 would require additional resources for athletics monitoring and legal services for potential litigation due to the conflict between the bill's requirements and NCAA regulations. Total costs are indeterminate but could be significant. For purposes of the fiscal note, WSU assumes at least the amount of services below would be required from the Attorney General's Office, and billed to WSU as a central service charge.

FY 2020: Assistant Attorney General at 0.25 FTE and Legal Assistant at 0.10 FTE - \$46,000 in Salaries + Benefits

FY 2021: Assistant Attorney General at 0.20 FTE and Legal Assistant at 0.10 FTE - \$37,000 in Salaries + Benefits

FY 2022: Assistant Attorney General at 0.10 FTE and Legal Assistant at 0.05 FTE - \$18,000 in Salaries + Benefits

FY 2023: Assistant Attorney General at 0.10 FTE and Legal Assistant at 0.05 FTE - \$18,000 in Salaries + Benefits

It is assumed costs would be highest in the first biennium due to initial planning efforts and process creation. It is also assumed existing legal staff could provide and continue this service beyond FY 2023, so no costs are assumed FY 2024 and onward. No assumptions are made about the fiscal impact of possible financial penalties or settlements that may arise as a result of non-compliance or litigation.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1084 HB	Title: Higher ed. athlete comp.	Agency: 370-Eastern Washington University
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

Non-zero but indeterminate cost. 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: Trudes Tango	Phone: 360-786-7384	Date: 01/17/2019
Agency Preparation: Alexandra Rosebrook	Phone: (509) 359-7364	Date: 01/22/2019
Agency Approval: Alexandra Rosebrook	Phone: (509) 359-7364	Date: 01/22/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/28/2019

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.

Section 1 finds that every student enrolled at an institution of higher education in this state should have an equal right to earn compensation for services provided; to be paid for the use of his or her name, image, and likeness; and to hire agents to represent the student's interest.

Section 2 allows (2) any student to (a) receive compensation for services actually provided, including, but not limited to, payment for the use of the students name, image or likeness, as long as the compensation is commensurate with the market value of the services provided; and (b) Agree to be represented by an agent for any purpose. (3) No person may prohibit or suspend any student from competing in an intercollegiate athletic competition...(4) No person may prohibit or suspend an institution of higher education's athletic team from competing in an intercollegiate athletic competition....(5) No person may request or require that an institution of higher education prohibit or otherwise limit the ability of its students to engage in the conduct described in subsection (2)....(6) No person may discipline an institution of higher education because the institution of higher education (i) and (ii) certified or did not certify the eligibility of, or otherwise permitted, a student who engaged in the conduct described in subsection (2) of this section to participate in an intercollegiate athletic competition. (7) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying this chapter.

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.

The current NCAA rules do not allow athletes to be paid. Eastern currently offers scholarships to our student-athletes however, Eastern does not have the financial means to offer larger or an increased number of scholarships to our student-athletes. Eastern provides meal plans but not to the extent currently allowed by the NCAA due to current financial constraints. The number of student-athletes with our athletic classification that would receive any income for imaging or the like would be very few and very rare. We are unable to estimate the fiscal impact.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1084 HB	Title: Higher ed. athlete comp.	Agency: 375-Central Washington University
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

Non-zero but indeterminate cost. 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: Trudes Tango	Phone: 360-786-7384	Date: 01/17/2019
Agency Preparation: Lisa Plesha	Phone: (509) 963-1233	Date: 01/22/2019
Agency Approval: Lisa Plesha	Phone: (509) 963-1233	Date: 01/22/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/28/2019

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.

HB 1084 proposes that student athletes at institutions of higher education in Washington state should be compensated for services provided, including, but not limited to the use of their name, image, or likeness; and to hire agents to represent the student's interest.

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.

Because paying student athletes in the manner described in HB 1084 would be a violation of the NCAA rules and deem them ineligible to participate in collegiate athletics, CWU would not choose to violate NCAA rules on amateurism nor would CWU place our NCAA membership in jeopardy by compensating student athletes as described in this bill. CWU does not have television contracts or corporate sponsorships/endorsements that would use the names or likenesses of our student athletes. Promotional materials/marketing campaigns used for CWU Athletics would be the primary use of any student athlete's image or likeness and it is not clear in this legislation whether a typical marketing campaign would require CWU to compensate their athletes.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1084 HB	Title: Higher ed. athlete comp.	Agency: 376-The Evergreen State College
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

Non-zero but indeterminate cost. 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: Trudes Tango	Phone: 360-786-7384	Date: 01/17/2019
Agency Preparation: Holly Joseph	Phone: 360-867-6652	Date: 01/23/2019
Agency Approval: Holly Joseph	Phone: 360-867-6652	Date: 01/23/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/28/2019

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.

HB1084 authorizes a student enrolled in an institution of higher education to receive compensation for services provided and to hire an agent to represent his or her interests.

Section 2(2)(a) allows a student to receive compensation for services actually provided, which could include the use of the student's name, image or likeness.

Section 2(2)(b) allows a student to be represented by an agent.

Section 2(3) prohibits the suspension of a student from competing in intercollegiate athletic competition for engaging in the conduct described in section 2(2).

Section 2(4) prohibits penalizing an institution of higher education's athletic team from competing in intercollegiate athletic competition because a student engaged in the conduct described in Section 2(2).

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.

The actual fiscal impact of HB1084 is indeterminate as it is not known what the actual cost is of compensating a student athlete for services provided, and for the use of his or her name, image or likeness. At Evergreen this could include information and promotional material regarding intercollegiate athletic programs.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1084 HB	Title: Higher ed. athlete comp.	Agency: 380-Western Washington University
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

Non-zero but indeterminate cost. 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: Trudes Tango	Phone: 360-786-7384	Date: 01/17/2019
Agency Preparation: Dana Weigel	Phone: 360-650-2811	Date: 01/22/2019
Agency Approval: Ted Castro	Phone: (360) 650-4694	Date: 01/22/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/28/2019

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.

Section 2(2) stipulates that any student may receive compensation for services actually provided, including payment for the use of the student's name, image, or likeness. Compensation must be commensurate with market value for services provided. Students may also agree to be represented by an agent for any purpose.

Section 2(3) prohibits anyone from preventing a student from competing in an intercollegiate athletic competition for engaging in the conduct described in subsection (2).

Section 2 subsections 4-6 indicate that no person may penalize an institution of higher education for complying with this bill or require anything in direct contradiction to this bill.

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.

Total cost to Western is indeterminate. It is unknown how many services provided would be eligible for payment, how many students may be impacted, or what market value for those services is. Therefore, Western is unable to provide any estimates on the cost to implement this bill.

Given the number of student athletes on WWU's campus and the larger impact this bill may have on Athletics at the university in regard to the NCAA it is assumed costs would significantly exceed \$50,000.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.