

Multiple Agency Fiscal Note Summary

Bill Number: 5258 E S SB AMH LAWS H2729.3	Title: Isolated worker protection
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Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Human Rights Commission	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	1.5	0	890,000	1.6	0	356,000	1.6	0	356,000
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Total \$	1.5	0	890,000	1.6	0	356,000	1.6	0	356,000

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Human Rights Commission	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Devon Nichols, OFM	Phone: (360) 902-0582	Date Published: Final 4/26/2019
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Individual State Agency Fiscal Note

Bill Number: 5258 E S SB AMH LAWS H2729.3	Title: Isolated worker protection	Agency: 120-Human Rights Commission
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Part I: Estimates



No Fiscal Impact

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: Joan Elgee	Phone: 360-786-7106	Date: 04/04/2019
Agency Preparation: Laura Lindstrand	Phone: 360-753-6770	Date: 04/15/2019
Agency Approval: Laura Lindstrand	Phone: 360-753-6770	Date: 04/15/2019
OFM Review: Ramona Nabors	Phone: (360) 902-0547	Date: 04/16/2019

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.

The Washington State Human Rights Commission (WSHRC) enforces RCW 49.60 by investigating claims of discrimination based on protected class. This bill sets forth obligations of certain employers of isolated workers. The bill does not set forth an enforcement mechanism to ensure that these employers comply with these new requirements. The bill does not provide the WSHRC with the authority to investigate or enforce violations of this section against these particular employers in the event that they do not comply with the requirements of the bill. However, the bill does set forth the duty of the Department of Labor and Industries to establish procedures for licensing property service contractors under this bill. In contrast, the bill does not specify any procedures for the WSHRC to follow related to enforcement of this section, or to ensure compliance with employers’ duties under this section. Therefore, we do not believe there will be any fiscal impact on the WSHRC.

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.

Part III: Expenditure Detail

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 needed

Individual State Agency Fiscal Note

Bill Number: 5258 E S SB AMH LAWS H2729.3	Title: Isolated worker protection	Agency: 179-Department of Enterprise Services
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Part I: Estimates



No Fiscal Impact

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: Joan Elgee	Phone: 360-786-7106	Date: 04/04/2019
Agency Preparation: Ronell Witt	Phone: (360) 407-9321	Date: 04/11/2019
Agency Approval: Michael Diaz	Phone: (360) 407-8131	Date: 04/11/2019
OFM Review: Bryan Way	Phone: (360) 902-0650	Date: 04/12/2019

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.

ESSB 5258 adds a new section to RCW 49.60 that requires every hotel, motel, retail or security guard entity or property services contractor who has employees to adopt a sexual harassment policy, provide training, provide a list of resources, and provide a panic button to each employee. The Department of Enterprise Services (DES) is a state agency, therefore, this legislation has no fiscal impact.

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.

Part III: Expenditure Detail

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.

Individual State Agency Fiscal Note

Bill Number: 5258 E S SB AMH LAWS H2729.3	Title: Isolated worker protection	Agency: 235-Department of Labor and Industries
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	1.1	1.9	1.5	1.6	1.6
Account					
Accident Account-State 608-1	110,000	647,000	757,000	302,000	302,000
Medical Aid Account-State 609-1	19,000	114,000	133,000	54,000	54,000
Total \$	129,000	761,000	890,000	356,000	356,000

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:

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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.

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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).

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Capital budget impact, complete Part IV.

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Requires new rule making, complete Part V.

Legislative Contact: Joan Elgee	Phone: 360-786-7106	Date: 04/04/2019
Agency Preparation: Donald Jenson Jr	Phone: 360-902-6981	Date: 04/09/2019
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 04/09/2019
OFM Review: Anna Minor	Phone: (360) 902-0541	Date: 04/09/2019

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.

See attached.

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.

See attached.

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.

See attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
608-1	Accident Account	State	110,000	647,000	757,000	302,000	302,000
609-1	Medical Aid Account	State	19,000	114,000	133,000	54,000	54,000
Total \$			129,000	761,000	890,000	356,000	356,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	1.1	1.9	1.5	1.6	1.6
A-Salaries and Wages	68,000	130,000	198,000	218,000	218,000
B-Employee Benefits	27,000	49,000	76,000	82,000	82,000
C-Professional Service Contracts		514,000	514,000		
E-Goods and Other Services	22,000	46,000	68,000	52,000	52,000
G-Travel	2,000	2,000	4,000	4,000	4,000
J-Capital Outlays	10,000	20,000	30,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	129,000	761,000	890,000	356,000	356,000

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
Administrative Regulations Analyst 4	77,611		0.3	0.1		
Fiscal Analyst 5	60,633	0.1	0.1	0.1	0.1	0.1
Industrial Relations Agent 3	63,679	1.0	1.0	1.0	1.0	1.0
Information Technology Specialist 4	79,545		0.5	0.3	0.5	0.5
Total FTEs		1.1	1.9	1.5	1.6	1.6

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.

See attached.

Part II: Explanation

This bill relates to preventing the sexual harassment and sexual assault of certain isolated workers, and adding a new section to RCW 49.60.

This will take effect January 1, 2020, for hotels and motels with 60 or more rooms, and January 1, 2021, for all other businesses.

The differences between ESSB 5258 AMH LAWS H2729.3 and ESSB 5258 include:

- Removes behavioral health employers from the list of effected employers;
- Removes the requirement for the Department of Labor and Industries (L&I) to license property service contractors;
- Changes the list of required data that property services contractors must submit to L&I;
- Includes a definition of “employee”.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 1(1) adds a new section to RCW 49.60, administered by the Human Rights Commission, that creates a requirement for every hotel, motel, retail, or property services contractor, who employs an employee to:

- Adopt a sexual harassment policy;
- Provide mandatory training to prevent sexual assault, sexual harassment, and sexual discrimination and educate their workforce on worker protections;
- Provide a list of resources for employees; and
- Provide a panic button to each employee that spends a majority of her or his working hours alone or whose primary work responsibility involves working without another coworker present. The Department of Labor and Industries (L&I) is required to publish advice and guidance for employers with 50 or fewer employees relating to this requirement. Subsection 1(d) does not apply to contracted security guard companies licensed under RCW 18.170.

Section 1(2) requires property service contractors to submit the following to L&I, in a manner determined by L&I:

- The date of adoption of the required sexual harassment policy.
- The number of managers, supervisors, and employees trained as required.
- The physical address of the work location or locations at which janitorial services are provided by employees of the property services contractor, and for each location, the number of employees and number of hours worked by employees who perform janitorial services.

This subsection also requires L&I to make aggregate data submitted by property service contractors available upon request. It also allows L&I to adopt rules to implement this subsection.

Section 1(3) contains definitions, including:

- “Department” means L&I;
- “Property service contractor” means any person or entity that employs workers to perform labor for another person to provide commercial janitorial services, or on behalf of an employer to provide commercial janitorial services. A “property service contractor” does not include the Employment Security Department or individuals who perform labor under an agreement for exchanging their own labor or services with each other, provided the work is performed on land owned or leased by the individuals.

Section 1(4) requires that hotels and motels with 60 or more rooms must meet the requirements of this section by January 1, 2020, and that all other employers identified in subsection 1 must meet the requirements of this section by January 1, 2021.

II. B – Cash Receipt Impact

None.

II. C – Expenditures

Appropriated – Operating Costs

This proposed bill increases expenditures to the Accident Account, fund 608, and the Medical Aid Account, fund 609. The following assumptions were used to estimate the resources requested to implement this bill.

Staffing

0.25 FTE Administrative Regulations Analyst 4, temporary, from July 1, 2020, through December 31, 2020. Duties include conducting rulemaking to establish the timing and format of the data required to be submitted by property service contractors before the effective date of January 1, 2021.

1.0 FTEs Industrial Relations Agent 3 (IRA3), permanent, beginning July 1, 2019. Initial duties will be conducting research, providing and publishing advice on panic buttons, as required in section 1(1) of the bill. Ongoing duties include receiving information from property service contractors, maintaining a database of information on property service contractors, and making aggregate data available upon request. The following assumptions were used to develop this estimate:

- According to the Quarterly Census of Employment and Wages (Employment Security Department), there were 1,932 firms classified as janitorial service businesses in quarter 1 of 2018. L&I would be required to receive data from these firms as stipulated by the bill.
- Assume L&I would receive the required data from property service contractors at least every two years.
- Assume an IRA3 could review and verify the submission of data from 80 firms per month.
- Therefore, one IRA3 is required. (80 firms per month x 24 months = 1,920 total firms)

Information Technology

0.5 FTE Information Technology Specialist 4 (IRA4), permanent, beginning July 1, 2020. Initial duties will be assisting in designing, testing, and implementing a new computer application to

organize the data being submitted from property service contractors, as required in section 1(2) of this bill. Ongoing duties include maintaining the new computer application.

\$475,628 is needed for 3,588 hours of contract programming, to be spent in fiscal year 2021. Hours include establishing requirements, designing, testing and implementing a new computer application to organize the data being submitted from property service contractors, as required in section 1(2) of this bill. The system will need to aggregate data upon request, as required in the bill.

Web Services

\$38,380 is needed for 260 hours of contract programming, to be spent in fiscal year 2021. The new computer application will be accessible by property service contractors, through L&I's website, to submit the data elements required in this bill. L&I's website will also be used to publish the information required in section 1(1) of this bill.

Rulemaking

\$5,000 is needed for two rulemaking hearings to occur during fiscal year 2021. The average cost of one rulemaking hearing is \$2,500. (2 hearings x \$2,500 each = \$5,000)

Indirect Costs

The amount included in this fiscal note for indirect is:

Fund Name		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
608	Accident	6,000	\$10,000	\$8,500	\$8,500	\$8,500	\$8,500
609	Medical Aid	1,000	\$2,000	\$1,500	\$1,500	\$1,500	\$1,500
	Total:	\$7,000	\$12,000	\$10,000	\$10,000	\$10,000	\$10,000

The department assesses an indirect rate to cover agency-wide administrative costs. Labor and Industries indirect rate is applied on salaries, benefits, and standard costs. For fiscal note purposes the total indirect amount is converted into salary and benefits for partial or full indirect FTEs. Salary and benefits costs are based on a Fiscal Analyst 5 (Range 56, Step G).

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

This bill will result in L&I adopting new rules establishing the timing and format of the data required to be submitted by property service contractors.

Individual State Agency Fiscal Note

Bill Number: 5258 E S SB AMH LAWS H2729.3	Title: Isolated worker protection	Agency: 300-Department of Social and Health Services
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Part I: Estimates

☒ No Fiscal Impact

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Check applicable boxes and follow corresponding instructions:

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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Joan Elgee	Phone: 360-786-7106	Date: 04/04/2019
Agency Preparation: Bill Jordan	Phone: 360-902-8183	Date: 04/05/2019
Agency Approval: Mickie Coates	Phone: 360-902-8077	Date: 04/05/2019
OFM Review: Devon Nichols	Phone: (360) 902-0582	Date: 04/08/2019

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.

The intent of this bill is to prevent the sexual harassment and sexual assault of certain isolated workers.

The Department of Social and Health Services (DSHS) is not included in the type of organizations that the bill addresses. There is no fiscal impact for DSHS for 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.

Part III: Expenditure Detail

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.