

Individual State Agency Fiscal Note

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| Bill Number: 1392 HB | Title: Electronics repair | Agency: 100-Office of Attorney General |
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

| | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|-------------------------------|---------|---------|-----------|---------|---------|
| FTE Staff Years | 5.0 | 5.0 | 5.0 | 1.3 | 1.3 |
| Account | | | | | |
| General Fund-State 001-1 | 795,000 | 795,000 | 1,590,000 | 398,000 | 398,000 |
| Total \$ | 795,000 | 795,000 | 1,590,000 | 398,000 | 398,000 |

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.

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|--------------------------------------|-----------------------|------------------|
| Legislative Contact: Megan Mulvihill | Phone: 360-786-7304 | Date: 01/24/2023 |
| Agency Preparation: Allyson Bazan | Phone: 360-586-3589 | Date: 01/25/2023 |
| Agency Approval: Joe Zawislak | Phone: 360-586-3003 | Date: 01/25/2023 |
| OFM Review: Cheri Keller | Phone: (360) 584-2207 | Date: 01/25/2023 |

Part II: Narrative Explanation

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

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

Section. 1: Findings: Consumer access to affordable and reliable digital electronic equipment is essential to overcome digital inequities in Washington State and that broader distribution of the information and tools necessary to repair digital electronic equipment will shorten repair times, lengthen the useful lives of electronic equipment, reuse and recover rare earth minerals and precious materials, and lower costs for consumers.

Section. 2: Definitions.

Section. 3: Manufacturers of digital electronic equipment must make parts, tools, and documentation for the diagnosis, maintenance, or repair of equipment available to independent repair providers at reasonable costs and terms; exemptions and specifications.

Section. 4: Trade secrets protections. Contract terms and exclusions allowed. Equipment manufactured for public safety communication exempted.

Section. 5: Original manufacturers and authorized repair providers not liable for services performed by independent repair providers. No warranty by manufacturer on repairs.

Section. 6: Violation of chapter is violation of RCW 19.86.

Sections. 7-9: Codification instructions.

This bill is assumed effective 90 days after the end of the 2023 legislative session.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

General Fund-State (GF-S) Account 001-1: Attorney General's Office (AGO) Consumer Protection Division (CPR) 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:

CPR total workload impact using Seattle rates:

FY 2024 – FY 2025: \$795,000 for 2.0 Assistant Attorney General (AAG), 1.0 Legal Assistant (LA), 0.5 Investigator (INV) and 1.0 Paralegal (PL), this includes direct litigation costs of \$56,360.

FY 2026: \$199,000 for 0.5 AAG, 0.25 LA, 0.2 INV and 0.2 PL, this includes direct litigation costs of \$10,500, in each FY thereafter.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2023 legislative session.

Location of staffing is assumed to be in a Seattle office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables, for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of a Management Analyst 5 (MA). The MA is used as a representative classification.

Assumptions for the AGO Consumer Protection Division's (CPR) Legal Services

CPR assumes that enforcement to ensure compliance will be a priority for the AGO.

CPR assumes that litigation will be necessary to enforce industry compliance.

CPR assumes that other regulators will take action to enforce similar laws.

CPR assumes that industry compliance will increase as a result of litigation enforcement efforts.

CPR assumes that the bill will remain, as currently drafted, without a private right of action under the Consumer Protection Act (CPA).

AAG will investigate potential violations; draw conclusions from investigation; draft Civil Investigative Demand (CID)/discovery requests; engage in settlement negotiations; file lawsuit.

Paralegals (PL) will manage documents, draft CID/discovery requests and manage responses; assist with legal pleadings and research.

Investigators (INV) will interview witnesses; review investigative records; other investigative tasks as assigned.

Direct Litigation Costs FY 2024 and FY 2025:

Expert costs: \$25,000.

Depositions to aid in enforcement: \$18,000 (\$3,000 each, estimating 6 depositions).

Travel expenses for depositions, witness interviews, other: \$3,000.

E-document management costs: \$10,000.

Filing fees and costs: \$360.

Direct Litigation Costs FY 2026 and in each FY thereafter:

Depositions to aid in enforcement: \$9,000 (\$3,000 each, estimating 3 depositions).

Travel expenses for depositions, witness interviews, other: \$1,500.

CPR total workload impact using Seattle rates:

FY 2024 – FY 2025: \$795,000 for 2.0 AAG, 1.0 LA, 0.5 INV and 1.0 PL, this includes direct litigation costs of \$56,360.

FY 2026: \$199,000 for 0.5 AAG, 0.25 LA, 0.2 INV and 0.2 PL, this includes direct litigation costs of \$10,500, in each FY thereafter.

The AGO Administrative Division has reviewed this bill and determined it will not significantly increase or decrease the division's workload, new legal services are nominal, and costs are not included in this request.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|-----------------|---------------|-------|---------|---------|-----------|---------|---------|
| 001-1 | General Fund | State | 795,000 | 795,000 | 1,590,000 | 398,000 | 398,000 |
| Total \$ | | | 795,000 | 795,000 | 1,590,000 | 398,000 | 398,000 |

III. B - Expenditures by Object Or Purpose

| | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|----------------------------------|---------|---------|-----------|---------|---------|
| FTE Staff Years | 5.0 | 5.0 | 5.0 | 1.3 | 1.3 |
| A-Salaries and Wages | 486,000 | 486,000 | 972,000 | 250,000 | 250,000 |
| B-Employee Benefits | 159,000 | 159,000 | 318,000 | 80,000 | 80,000 |
| C-Professional Service Contracts | 56,000 | 56,000 | 112,000 | 22,000 | 22,000 |
| E-Goods and Other Services | 88,000 | 88,000 | 176,000 | 44,000 | 44,000 |
| G-Travel | 6,000 | 6,000 | 12,000 | 2,000 | 2,000 |
| Total \$ | 795,000 | 795,000 | 1,590,000 | 398,000 | 398,000 |

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 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|------------------------------------|---------|---------|---------|---------|---------|---------|
| Assistant Attorney General-Seattle | 124,635 | 2.0 | 2.0 | 2.0 | 0.5 | 0.5 |
| Legal Assistant 3-Seattle | 67,044 | 1.0 | 1.0 | 1.0 | 0.3 | 0.3 |
| Management Analyst 5 | 91,524 | 0.5 | 0.5 | 0.5 | 0.1 | 0.1 |
| Paralegal 2-Seattle | 75,096 | 1.0 | 1.0 | 1.0 | 0.2 | 0.2 |
| Senior Investigator-Seattle | 98,532 | 0.5 | 0.5 | 0.5 | 0.2 | 0.2 |
| Total FTEs | | 5.0 | 5.0 | 5.0 | 1.3 | 1.3 |

III. D - Expenditures By Program (optional)

| Program | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|------------------------------------|---------|---------|-----------|---------|---------|
| Consumer Protection Division (CPR) | 795,000 | 795,000 | 1,590,000 | 398,000 | 398,000 |
| Total \$ | 795,000 | 795,000 | 1,590,000 | 398,000 | 398,000 |

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

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

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.