

Multiple Agency Fiscal Note Summary

Bill Number: 5061 SB	Title: Personnel records
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	No fiscal impact					
Loc School dist-SPI						
Local Gov. Other						
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Administrative Office of the Courts	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	.0	0	0	258,000	.0	0	0	0	.0	0	0	0
Employment Security Department	.5	0	0	551,248	.5	0	0	551,248	.5	0	0	551,248
Total \$	0.5	0	0	809,248	0.5	0	0	551,248	0.5	0	0	551,248

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.0	0	0	.0	0	0	.0	0	0
Employment Security Department	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Final
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Judicial Impact Fiscal Note

Bill Number: 5061 SB	Title: Personnel records	Agency: 055-Administrative Office of the Courts
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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 for 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.

Legislative Contact: Susan Jones	Phone: 360-786-7404	Date: 01/05/2023
Agency Preparation: Angie Wirkkala	Phone: 360-704-5528	Date: 01/16/2023
Agency Approval: Chris Stanley	Phone: 360-357-2406	Date: 01/16/2023
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 01/25/2023

178,425.00

Request # 034-1

Form FN (Rev 1/00)

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Bill # 5061 SB

Part II: Narrative Explanation

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

The proposed legislation amends RCWs 49.12.250 establishing a timeframe for when an employer must provide an employee with their personnel record and creates a new private cause of action in superior court.

II. B - Cash Receipts Impact

II. C - Expenditures

No fiscal impact is expected to the Administrative Office of the Courts or the courts. The bill could cause additional case filings, but impact is expected to be small. No changes or minimal changes are expected to superior court case management systems.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

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

NONE

Individual State Agency Fiscal Note

Bill Number: 5061 SB	Title: Personnel records	Agency: 235-Department of Labor and Industries
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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
Account					
Accident Account-State 608-1	220,000	0	220,000	0	0
Medical Aid Account-State 609-1	38,000	0	38,000	0	0
Total \$	258,000	0	258,000	0	0

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: Susan Jones	Phone: 360-786-7404	Date: 01/05/2023
Agency Preparation: Rachel Reed	Phone: 360-902-4552	Date: 01/12/2023
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 01/12/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 01/12/2023

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.

This bill relates to employer requirements for responding to employee requests for their personnel files as well responding to employee requests for statements regarding the effective date and reason for their termination.

Section 2(1) amends RCW 49.12.250(1) by providing a new time frame (14 calendar days) that the employer must make an unredacted copy of an employee's personnel file available upon request and at no cost.

Section 2(4) adds a provision requiring employers to, within 14 business days of receiving a written request from a former employee, furnish a signed written statement to the former employee stating the effective date of discharge, whether the employer had a reason for the discharge, and if so, the reasons.

Section 2(5) allows employees to pursue private rights of action for violations of the law and establishes statutory damages including equitable relief and attorney fees and costs. Therefore, there is no enforcement role for the Department of Labor and Industries (L&I).

Section 2(10) requires L&I to develop and furnish information to each employer information which describes an employer's obligations and employee's rights under this section. L&I must provide this information to employers at least annually, which may include being provided with other annual notices. Failure to provide the information does not relieve an employer of its obligations under this section.

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.

Receivables-Operating

This bill allows an employee to enforce this section through private right action. There is no enforcement role for L&I, and therefore no fiscal impact in terms of penalties issued to employers.

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.

Appropriated -Operating Costs

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

Marketing and Outreach

\$207,447 will be necessary for outreach during fiscal year 2024 to effectively implement this bill, which directs L&I to develop and furnish information for each employer describing the employer's obligations and an employee's rights. The outreach will be in the form of direct mail to approximately 260,000 employers. Annual notifications will be done as part of our normal annual notifications.

Printing and Translation

\$50,000 is needed during fiscal year 2024 for printing and translation costs relating to updating multiple worker-rights printed posters, printed pamphlets, and online publications, including Your Rights as a Worker, Employee Rights to Equal Pay and Opportunities, Isolated Worker Employee Concerns, New Employee Packet, Pocket Guide to Worker Rights, and others.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
608-1	Accident Account	State	220,000	0	220,000	0	0
609-1	Medical Aid Account	State	38,000	0	38,000	0	0
Total \$			258,000	0	258,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	258,000		258,000		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	258,000	0	258,000	0	0

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

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.

Individual State Agency Fiscal Note

Bill Number: 5061 SB	Title: Personnel records	Agency: 540-Employment Security Department
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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	0.5	0.5	0.5	0.5	0.5
Account					
Employment Service Administrative Account-State 134-1	275,624	275,624	551,248	551,248	551,248
Total \$	275,624	275,624	551,248	551,248	551,248

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: Susan Jones	Phone: 360-786-7404	Date: 01/05/2023
Agency Preparation: Sundara Chan	Phone: 360-890-3669	Date: 01/11/2023
Agency Approval: Lisa Henderson	Phone: 360-902-9291	Date: 01/11/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 01/11/2023

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.

The bill adds a maximum 14-day turnaround for employers to provide personnel files when requested by an employee, former employee, their attorney, agent, or fiduciary. The bill gives employees a right to enforce this measure through a lawsuit, where they can collect penalties and attorney fees. The bill also requires Department of Labor and Industries (LNI) and Employment Security Department (ESD) to notify employers of their obligations and employee's rights to access their personnel file.

The sections of the bill that directly impact ESD are:

Section 2 (1) adds a 14-day maximum turnaround for employers to provide a personnel file to an employee, former employee, their attorney, agent, or fiduciary at no cost.

Section 2 (4) requires employers to provide a written statement to a former employee within 14 days of request that states whether the employer had a reason for discharge, and if so, what the reasons were.

Section 2 (5) provides a method for an employee to enforce this section through private cause of action in superior court. This adds penalties of \$250 if a file is not provided within 14 days, \$500 if not provided in 28 days, and \$1,000 if provided later than 28 days. The employee may also collect reasonable attorney fees and costs.

Section 2 (6) defines what is meant by personnel file. This includes all records regardless of label that contain job application records, performance evaluations, disciplinary records, medical, leave, and reasonable accommodation records, payroll records, employment agreements, and all other records maintained for the employee however designated.

Section 2 (9) allows redaction by public employers if required by law. The employer must provide the reason for any redaction and cite supporting laws.

Section 2 (10) requires Labor and Industries to develop and provide each employer information describing employer's obligations and employee's rights under this section. LNI and ESD must provide this information to employers at least annually, either alone or as part of other annual notices.

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.

None

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.

Section 2 (4) imposes a 14-day deadline on providing personnel files to current and former employees. Human Resources (HR) is asking for a permanent 0.5 FTE as a Human Resource Consultant 2 (HRC 2) to be able to obtain all documentation timely. Current requests often do not meet the 14-day deadline due to time needed to gather documents from various sources.

Section 2 (10) would require ESD to mail out a notice to all employers reporting to ESD. LNI is creating a postcard which

is estimated to cost \$297.99 per thousand plus mailing cost of \$0.50 per postcard. There are approximately 274,000 employers ESD would mail this to for a total annual cost of \$218,403. This will fluctuate over time as the number of employers changes.

Both the sections above cause ongoing impact to HR and Administrative Services Division (ASD) to adopt and comply with the new standards and policies. To accomplish this work ESD will need the following ongoing cost to ensure our compliance:

0.5 FTE Human Resource Consultant 2

To be able to obtain all documentation timely from various sources.

Total cost is \$56,975 per year.

Additional cost is needed for postcards and mailing to all employers reporting to ESD.

\$81,649 (postcards) + \$137,000 (mailing) = \$218,649

Total cost for Fiscal Year (FY) 2024 and ongoing is \$56,975 (0.5 FTE) + \$218,649 (Additional cost) = \$275,624

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
134-1	Employment Service Administrative Account	State	275,624	275,624	551,248	551,248	551,248
Total \$			275,624	275,624	551,248	551,248	551,248

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.5
A-Salaries and Wages	29,566	29,566	59,132	59,132	59,132
B-Employee Benefits	11,826	11,826	23,652	23,652	23,652
C-Professional Service Contracts					
E-Goods and Other Services	226,224	226,224	452,448	452,448	452,448
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	8,008	8,008	16,016	16,016	16,016
9-					
Total \$	275,624	275,624	551,248	551,248	551,248

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
HUMAN RESOURCE CONSULTANT 2	56,975	0.5	0.5	0.5	0.5	0.5
Total FTEs		0.5	0.5	0.5	0.5	0.5

III. D - Expenditures By Program (optional)

NONE

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.