

Multiple Agency Fiscal Note Summary

Bill Number: 5133 SB	Title: Responsible bidder criteria
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	402,000	0	0	402,000	0	0	402,000
Office of Administrative Hearings	0	0	332,000	0	0	332,000	0	0	332,000
Total \$	0	0	734,000	0	0	734,000	0	0	734,000

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
Office of Attorney General	1.3	0	0	402,000	1.3	0	0	402,000	1.3	0	0	402,000
Office of Administrative Hearings	1.1	0	0	332,000	1.1	0	0	332,000	1.1	0	0	332,000
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	1.1	0	0	1,942,000	1.1	0	0	962,000	1.1	0	0	962,000
Department of Transportation	Fiscal note not available											
Total \$	3.5	0	0	2,676,000	3.5	0	0	1,696,000	3.5	0	0	1,696,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Office of Administrative Hearings	.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 Transportation	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Prepared by: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Preliminary
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Individual State Agency Fiscal Note

Bill Number: 5133 SB	Title: Responsible bidder criteria	Agency: 100-Office of Attorney General
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1	201,000	201,000	402,000	402,000	402,000
Total \$	201,000	201,000	402,000	402,000	402,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.3	1.3	1.3	1.3	1.3
Account					
Legal Services Revolving Account-State 405-1	201,000	201,000	402,000	402,000	402,000
Total \$	201,000	201,000	402,000	402,000	402,000

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: Danielle Creech	Phone: 360-786-7412	Date: 01/24/2023
Agency Preparation: Cam Comfort	Phone: (360) 664-9429	Date: 01/30/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 01/30/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/30/2023

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 amends RCW 39.04.350 to revise the responsibility criteria for responsible bidders, including being listed as an active training agent on the Department of Labor and Industries' (L&I) website, to require that L&I keep records of contractors' compliance with the responsible bidder criteria, and to authorize the state and municipalities to adopt relevant supplemental criteria on projects subject to apprenticeship utilization requirements if the bidder has a demonstrated history of being out of compliance with such requirements.

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.

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

The client agency is the Department of Labor and Industries (L&I). The Attorney General's Office (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 agency's fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

L&I will be billed for Seattle rates:

FY 2024: \$201,000 for 0.75 Assistant Attorney General and 0.38 Legal Assistant and 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 Labor and Industries Division's (LNI) Legal Services for the Department of Labor and Industries (L&I):

The AGO will bill L&I for legal services based on the enactment of this bill.

This bill modifies or creates additional responsibilities for employers who wish to receive “responsible bidder” status for public works projects. Specifically, it affects their responsibilities regarding apprenticeships.

If L&I issues a decision that an employer has not met their apprenticeship responsibilities, and this disqualifies that employer from being a “responsible bidder,” then that decision can have a significant economic impact on the employer.

Based on existing data and LNI’s analysis of the bill, LNI estimate these changes will result in a net increase of approximately 32 employer appeals per year to L&I apprenticeship decisions.

Based on the resources allocated for the existing apprenticeship caseload, an increase of 32 appeals per year would result in .75 FTE worth of AAG legal services per year to handle the increased caseload.

LNI: Total Seattle workload impact:
 FY 2024: \$201,000 for 0.75 AAG and 0.38 LA and in each FY thereafter.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services Revolving Account	State	201,000	201,000	402,000	402,000	402,000
Total \$			201,000	201,000	402,000	402,000	402,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.3	1.3	1.3	1.3	1.3
A-Salaries and Wages	135,000	135,000	270,000	270,000	270,000
B-Employee Benefits	43,000	43,000	86,000	86,000	86,000
E-Goods and Other Services	22,000	22,000	44,000	44,000	44,000
G-Travel	1,000	1,000	2,000	2,000	2,000
Total \$	201,000	201,000	402,000	402,000	402,000

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	0.8	0.8	0.8	0.8	0.8
Legal Assistant 3-Seattle	67,044	0.4	0.4	0.4	0.4	0.4
Management Analyst 5	91,524	0.2	0.2	0.2	0.2	0.2
Total FTEs		1.3	1.3	1.3	1.3	1.3

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Labor & Industries Division (LNI)	201,000	201,000	402,000	402,000	402,000
Total \$	201,000	201,000	402,000	402,000	402,000

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.

Individual State Agency Fiscal Note

Bill Number: 5133 SB	Title: Responsible bidder criteria	Agency: 110-Office of Administrative Hearings
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Hearings Revolving Account-State 484-1	166,000	166,000	332,000	332,000	332,000
Total \$	166,000	166,000	332,000	332,000	332,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
Account					
Administrative Hearings Revolving Account-State 484-1	166,000	166,000	332,000	332,000	332,000
Total \$	166,000	166,000	332,000	332,000	332,000

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: Danielle Creech	Phone: 360-786-7412	Date: 01/24/2023
Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 01/31/2023
Agency Approval: Deborah Feinstein	Phone: 360-407-2717	Date: 01/31/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/31/2023

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 (the only section of this bill) adds additional requirements for “responsible bidders” on public works projects. Specifically, bidders must be listed on the Department of Labor and Industries’ website as active training agents. Additionally, bidders on public works projects subject to apprenticeship utilization requirements must not have been found out of compliance by the Washington Apprenticeship & Training Council for not meeting mandatory apprenticeship utilization requirements and must have personnel trained on public works and prevailing wage requirements within the three years prior to submitting a bid. Bidders historically out of compliance with apprenticeship utilization requirements on projects must submit a verifiable apprenticeship utilization plan to the contracting agency prior to an award.

Work activities associated with the enactment of this bill will begin on July 1, 2023.

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.

As a central service agency, the Office of Administrative Hearings (OAH) bills referring agencies for its costs and collects the revenue into the Administrative Hearings Revolving Account. Cash receipts are assumed to equal costs. OAH will bill the Department of Labor & Industries for the costs related to this proposed legislation.

These cash receipts represent the OAH’s authority to bill and are not a direct appropriation to OAH. Appropriation authority is necessary in OAH’s budget.

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.

The Department of Labor & Industries (L&I) estimates that the proposed legislation will result in 32 new appeals being referred to Office of Administrative Hearings (OAH) per fiscal year beginning in FY 2024. On average, each appeal is expected to take approximately 25 hours of line Administrative Law Judge (ALJ) time including prehearing conferences, hearings, order writings, etc.

OAH Agency Workforce Assumptions:

- (1) The Governors proposed COLA increases in FY2024 and FY2025, and Collective Bargaining Agreement increases are not included in agency cost projections. Additional funding is required if these proposals are enacted.
- (2) Ratio of 1.0 FTE line ALJ to 0.15 Senior ALJ (SALJ), to 0.6 Legal Assistant 2 (LA2) (Range 40 step L), to 0.25 administrative support Management Analyst 5 (MA5) (Range 64 Step L).
- (3) ALJ salary is based on the ALJ collective bargaining agreement and assumed to be at step L. (Line ALJ-range 70. Senior ALJ-range 74.)
- (4) Benefit rates were analyzed by job class and projected using the latest benefit information available.
- (5) Goods and services, travel and on-going capital outlays were projected based on historical data for each of the job classifications.

Total workload impact beginning in FY 2024: 0.57 ALJ at a cost of \$94,733; 0.09 SALJ at a cost of \$15,323; 0.34 LA2 at a cost of \$34,168; 0.14 MA5 at a cost of \$21,123. Total cost rounded to: \$166,000 per FY.

Legal services associated with the enactment of this bill will begin on July 1, 2023.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
484-1	Administrative Hearings Revolving Account	State	166,000	166,000	332,000	332,000	332,000
Total \$			166,000	166,000	332,000	332,000	332,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
A-Salaries and Wages	101,000	101,000	202,000	202,000	202,000
B-Employee Benefits	34,000	34,000	68,000	68,000	68,000
C-Professional Service Contracts					
E-Goods and Other Services	29,000	29,000	58,000	58,000	58,000
G-Travel	1,000	1,000	2,000	2,000	2,000
J-Capital Outlays	1,000	1,000	2,000	2,000	2,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	166,000	166,000	332,000	332,000	332,000

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
Administrative Law Judge	106,152	0.6	0.6	0.6	0.6	0.6
Legal Assistant 2	50,592	0.3	0.3	0.3	0.3	0.3
Management Analyst 5	91,524	0.1	0.1	0.1	0.1	0.1
Senior Administrative Law Judge	117,168	0.1	0.1	0.1	0.1	0.1
Total FTEs		1.1	1.1	1.1	1.1	1.1

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Regulatory & Education (REG)	166,000	166,000	332,000	332,000	332,000
Total \$	166,000	166,000	332,000	332,000	332,000

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.

Individual State Agency Fiscal Note

Bill Number: 5133 SB	Title: Responsible bidder criteria	Agency: 179-Department of Enterprise Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Danielle Creech	Phone: 360-786-7412	Date: 01/24/2023
Agency Preparation: Becky Guyer	Phone: (360) 407-9254	Date: 01/31/2023
Agency Approval: Ashley Howard	Phone: (360) 407-8159	Date: 01/31/2023
OFM Review: Jennifer Masterson	Phone: (360) 810-0117	Date: 01/31/2023

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.

Sec. 1: Amends RCW 39.04.350 modifying mandatory responsibility requirements.

(1d): The bidder must be listed as an active training agent in the Department of Labor and Industries (L&I) apprenticeship registration tracking system and attest to only subcontracting with active training agents.

(1f): For projects subject to apprenticeship utilization requirements, it clarifies that the bidder cannot have been found to be out of compliance by the WA State Apprenticeship and Training Council, for not achieving mandatory apprenticeship utilization requirements or for working apprentices out of ratio.

(1g): Public works and prevailing wage training requirements for bidders are modified, requiring that at the time of bid submittal, the bidder or designated person(s), must have received training within the previous three years. This subsection also eliminates the exemption of this training requirement if the bidder has completed three or more public works projects previously and has a WA State business license that has been valid for three or more years.

Sec 1(2): Requires the Department of L&I to keep records of contractor compliance with the (mandatory) responsible bidder criteria and make that information publicly available to prospective bidders. It is the responsibility of the contracting agency to verify that the responsible bidder criteria are met prior to awarding a contract.

Sec 1(3): Changes optional supplemental responsibility criteria and processes that the state or municipality may adopt.

This will require the Department of Enterprise Services to revise instructions to bidders, bid forms, project manuals, supplemental bidder responsibility criteria, and the FPS policy governing these, as well as CPARB guidelines for bidder responsibility. This can be done through routine business processes; therefore, this bill has no fiscal impact.

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.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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: 5133 SB	Title: Responsible bidder criteria	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
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
Account					
Public Works Administration Account-State 234-1	1,461,000	481,000	1,942,000	962,000	962,000
Total \$	1,461,000	481,000	1,942,000	962,000	962,000

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: Danielle Creech	Phone: 360-786-7412	Date: 01/24/2023
Agency Preparation: Donald Jenson Jr	Phone: 360-902-6981	Date: 01/27/2023
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 01/27/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 01/27/2023

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.

See attached.

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.

See attached.

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.

See attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
234-1	Public Works Administration Account	State	1,461,000	481,000	1,942,000	962,000	962,000
Total \$			1,461,000	481,000	1,942,000	962,000	962,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	1.1	1.1	1.1	1.1
A-Salaries and Wages	74,000	74,000	148,000	148,000	148,000
B-Employee Benefits	29,000	29,000	58,000	58,000	58,000
C-Professional Service Contracts	913,000		913,000		
E-Goods and Other Services	435,000	378,000	813,000	756,000	756,000
G-Travel					
J-Capital Outlays	10,000		10,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	1,461,000	481,000	1,942,000	962,000	962,000

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
Fiscal Analyst 5	71,520	0.1	0.1	0.1	0.1	0.1
Program Specialist 3	69,756	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.1	1.1	1.1	1.1	1.1

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.

See attached.

Part II: Explanation

This bill relates to modifying the responsible bidder criteria for public works projects, amending RCW 39.04.350.

The differences between SB 5133 and S-0623.1 include:

- SB 5133 requires the contractor to be listed as a training agent on the Department of Labor and Industries (L&I) website, instead of L&I's apprenticeship registration tracking system as mentioned in S-0623.1.
- SB 5133 requires L&I to keep records of the contractor's compliance with responsible bidder criteria and list them on the L&I website. S-0623.1 required L&I to develop an attestation document that the contractor must complete, sign, and provide to the contract agency as part of their bid.
- SB 5133 does not include the amendment to RCW 39.12.055 contained in S-0623.1.

These changes do not change the fiscal impact to L&I.

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

Section 1(1)(d) adds a provision to RCW 39.04.350 requiring a contractor needs to be active training agent on the Department of Labor and Industries (L&I) website.

Section 1(1)(f) amends RCW 39.04.350 by adding a further requirement when bidding on a public works project subject to the apprenticeship utilization requirements in RCW 39.04.320 that they have not been found as not achieving mandatory apprenticeship utilization requirements by the Washington State Apprenticeship and Training Council.

Section 1(1)(g) amends RCW 39.04.350 removing the grandfather clause on the training on public works requirement and making it mandatory for all contractors bidding on public works contracts and that a designated person for the contractor has to take the training every three years.

Section 1(2) amends RCW 39.04.350 requiring L&I to keep records of contractors compliance with the responsible bidder criteria and make the records available on its website. The contract agency must verify bidder is listed on the L&I website prior to awarding a contract.

Section 1(3)(e) amends RCW 39.04.350 stipulating that on projects subject to apprenticeship utilization requirements pursuant to RCW 39.04.320, if the bidder has a history of being demonstrated to be out of compliance or for receiving monetary penalties for not achieving the apprentice utilization requirements pursuant to RCW 39.04.320, or is habitual in utilizing the good faith effort exception process, the bidder must submit a verifiable apprenticeship utilization plan for the awarding agency's review and acceptance prior to the award of a public works project.

II. B – Cash Receipt Impact

Receivables – Operating

None. There are no monetary penalties associated with enforcing the requirements of this bill. Non-compliance with the requirements of the bill results in a strike against the company, with two strikes resulting in being ineligible from bidding on public works projects for a year.

II. C – Expenditures

Appropriated – Operating Costs

This bill increases expenditures to the Public Works Administration Account, fund 234. The following assumptions were used to estimate the resources requested to implement this bill.

Staffing

1.0 FTE, Program Specialist 3, permanent, beginning July 1, 2023. Duties include notifying employers they have been found out of compliance on apprentice utilization requirements, receiving appeals, processing appeals for Washington State Apprenticeship and Training Council (WSATC) review, attending hearings on the department's behalf, preparing all documentation and research needed for hearings/WSATC review, answering employer calls/emails,

coordinating with the Prevailing Wage program staff to enter employer information into the contractor verification system. This is based on the following assumptions:

- Based on current data, approximately eight employers are found to be out of compliance with apprenticeship utilization requirements per quarter, or 32 per year.
- This bill allows the WSATC to hear the appeals from employers found to be out of compliance with apprenticeship utilization requirements.
- One Program Specialist 3 could handle 32 appeals per year.

Information Technology

The expenditure calculations in this fiscal note include changes to the hourly rates for contract technology based on an annual analysis completed by L&I. These changes include rates based on expert skill level and an inflationary factor in all categories. All expenditures in this section are for the 2023-25 biennium.

Contract developers will need to modify and enhance multiple internal systems to implement the requirements of this bill. Quality Assurance (QA), hardware, and software costs are also required for this effort.

A total of \$961,634 is needed in the 2023-25 biennium for all information technology changes.

This includes:

- Contractor costs – \$851,738 is needed for 6,462 contractor hours
- QA – \$61,000
- Hardware – \$4,896
- Software – \$44,000

Rule making

\$2,500 is needed for one rule making hearing to occur during fiscal year 2024. The average cost of one rule making hearing is \$2,500. (1 hearing x \$2,500 each = \$2,500)

Attorney General – Legal Services

\$201,000 is needed annually, beginning in fiscal year 2024, for 0.75 FTE Assistant Attorney General (AAG), and 0.38 FTE Legal Assistant for legal services. The following assumptions were used to calculate the estimates:

- Based on current data, eight employers are found to be out of compliance with apprenticeship utilization requirements per quarter, or 32 per year.
- This bill allows the WSATC to hear the appeals.
- WAC 296-05-008 indicates that the WSATC may either adjudicate the matter(s) itself, or refer matter(s) to the Office of Administrative Hearings (OAH). AAG resources will represent L&I at those OAH hearings.
- Due to workload capacity at the WSATC, it is assumed all of the 32 annual appeals will be referred to OAH.

Administrative Hearings

\$166,000 is needed annually for the 32 administrative hearings mentioned above, beginning with fiscal year 2024.

Indirect Costs

The amount included in this fiscal note for indirect is:

Fund Name		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
234	Public Works Admin.	7,000	7,000	7,000	7,000	7,000	7,000
	Total:	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000

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 59, Step G).

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

This legislation would result in rule changes to:

- WAC 296-05-217, Apprenticeship utilization requirements verification on public works projects.