

Individual State Agency Fiscal Note

Bill Number: 1393 HB	Title: Journey level electricians	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	6.9	0.0	3.5	0.0	0.0
Account					
General Fund-State 001-1	563,000	0	563,000	0	0
Total \$	563,000	0	563,000	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.

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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.

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
001-1	General Fund	State	563,000	0	563,000	0	0
Total \$			563,000	0	563,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	6.9		3.5		
A-Salaries and Wages	331,000		331,000		
B-Employee Benefits	159,000		159,000		
C-Professional Service Contracts					
E-Goods and Other Services	69,000		69,000		
G-Travel	4,000		4,000		
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 \$	563,000	0	563,000	0	0

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
Customer Service Specialist 2	46,980	6.5		3.3		
Fiscal Analyst 5	71,520	0.4		0.2		
Total FTEs		6.9		3.5		0.0

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 delays the implementation of the 2018 SSB 6126 by two years from July 1, 2023 to July 1, 2025, effective immediately. The bill also requires the Department of Labor and Industries (L&I) to conduct a study on the availability and accessibility of journey level electrical apprenticeship programs, including a survey of current trainees and employers of electrical contractors. The bill requires L&I to submit a report of its findings to the governor and appropriate committees of the legislature by December 1, 2023.

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

Section 1 delays the implementation of the apprenticeship completion requirement for becoming a journey level electrician in the 2018 SSB 612 by two years, from July 1, 2023 to July 1, 2025.

Section 2 requires L&I to conduct a study on the availability and accessibility of journey level electrical apprenticeship programs by collecting data related to the total number, location, and union/employer affiliation of current apprenticeship programs, trainees currently enrolled in apprenticeship programs, trainees currently working towards qualifying for certification but are not yet enrolled in a program, and employers of trainees that will need to be registered training agents for their trainee employees to be enrolled in an apprenticeship program.

Section 8 states that this bill takes effect immediately.

II. B – Cash Receipt Impact

None.

II. C – Expenditures

Appropriated – Operating Costs

This bill increases expenditures to General Fund-State, fund 001. The following assumptions were used to estimate the resources requested to implement this bill.

Staffing

12 FTEs, Customer Service Specialist 2 (CSS 2), July 1, 2023 – November 30, 2023. Duties include collecting data by phone from active electrical trainees and 01 electrical contractors, entering data into licensing records and project spreadsheets, and supporting the reporting of findings to the legislature. This is based on the following assumptions:

- There are approximately 27,342 01 electrical contractors and active trainee contacts to engage for this study. (2,981 current 01 electrical contractors + 24,361 current active trainees = 27,342 contacts)
- For the purposes of this fiscal note, L&I estimates that each contact will be called by phone twice, on average, to collect data for the study, and the average call will take 10 minutes to log and complete.
- Therefore, 9,114 hours will be spent making calls and logging information collected. (27,342 contacts X 2 calls per contact X 10 minutes per call = 546,840 minutes or 9,114 hours)
- There are roughly 870 working hours July 1 – December 1, 2023. ((2,088 working hours in 1 year X (~5 months / 12 months) = 870 working hours)
- 10.48 FTEs are needed to complete this data collection by phone. (9,114 hours / 870 hours = 10.48 FTEs)
- 1.26 FTEs are needed to do all other duties, including but not limited to training, answering questions, and participating in team huddles to support data collection and reporting efforts. (10.48 FTEs X 1 hour per day X 105 days worked July 1, 2023 – December 1, 2023 = 1,100 hours. 1,100 hours / 870 total working hours July 1 – December 1, 2023 = 1.26 FTEs)
- Therefore, 12 CSS 2 FTEs are needed to perform this work as a result of this bill (10.48 FTEs + 1.26 FTEs = 11.74 FTE, or 12 FTEs with rounding)

1 FTE, Customer Service Specialist 2 (CSS 2), July 1, 2023 – December 31, 2023. Duties include gathering and organizing data and information for the study, including working with apprenticeship programs to gather the information required by the bill, assisting the L&I Electrical Program with information and data to determine the number trainees and employers

that would need to register with an approved program, and assisting with assembling information for the report to the legislature. This is based on the following assumptions:

- The following time is estimated to be needed to gather, sort, filter, and analyze data and research information on each of the following throughout the life of the study:
 - 130 hours required for electrical apprenticeship program data (13 current programs X 10 hours per program = 130 hours)
 - 195 hours required for electrical apprentice data (3,900 current apprentices X .05 hours per apprentice = 195 hours)
 - 285 hours for apprenticeship program training agent data (570 current training agents X .5 hours per training agent = 285 hours)
- 315 hours is estimated to be needed to assist the Electrical section with information to determine apprenticeship needs for trainees (24,361) and 01 electrical contractors (2,981). This includes daily meetings and data discrepancy resolution. (3 hours per day x 105 days worked by Electrical section CSS 2s July 1, 2023 – December 1, 2023 = 315 hours)
- 62 hours is estimated to be necessary for internal L&I meetings, trainings, data presentations, post-project debriefings, and post-project question responses. (0.5 hours per day x 124 days worked July 1, 2023 – December 31, 2023 = 62 hours)
- Therefore, 1 CSS 2 FTE is needed to perform this work as a result of this bill (130 + 195 + 285 + 315 + 62 = 987 hours over the months of July 1, 2023 – Dec 31, 2023). (987 hours / approximately 1,044 total working hours during that time period = .95 FTE, or 1 FTE with rounding).

Rule making

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

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
095	Electrical License	41,000	0	0	0	0	0
	Total:	\$41,000	\$0	\$0	\$0	\$0	\$0

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 296-46B-945, Qualifying for master, journey level, specialty electrician examinations.