

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1666 HB	<b>Title:</b> Fee and debt collection
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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
Department of Licensing	0	0	15,000	0	0	0	0	0	0
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Licensing	.0	0	0	15,000	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

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

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<b>Prepared by:</b> Kyle Siefering, OFM	<b>Phone:</b> (360) 995-3825	<b>Date Published:</b> Final
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# Judicial Impact Fiscal Note

<b>Bill Number:</b> 1666 HB	<b>Title:</b> Fee and debt collection	<b>Agency:</b> 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: Megan Mulvihill	Phone: 360-786-7304	Date: 01/30/2023
Agency Preparation: Angie Wirkkala	Phone: 360-704-5528	Date: 02/03/2023
Agency Approval: Chris Stanley	Phone: 360-357-2406	Date: 02/03/2023
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 02/03/2023

181,901.00

Form FN (Rev 1/00)

Request # 123-1

Bill # 1666 HB

## Part II: Narrative Explanation

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

This bill would change certain fee and debt collection practices.

### II. B - Cash Receipts Impact

None

### II. C - Expenditures

No fiscal impact is expected to the Administrative Office of the Court or the courts. Public agencies will need to ensure contracts with debt collection agencies comply with the revisions to the law.

## 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

None

181,901.00

Form FN (Rev 1/00)

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Request # 123-1

Bill # 1666 HB

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 1666 HB	<b>Title:</b> Fee and debt collection	<b>Agency:</b> 100-Office of Attorney General
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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.

<b>Legislative Contact:</b> Megan Mulvihill	<b>Phone:</b> 360-786-7304	<b>Date:</b> 01/30/2023
<b>Agency Preparation:</b> Dave Merchant	<b>Phone:</b> 360-753-1620	<b>Date:</b> 02/02/2023
<b>Agency Approval:</b> Joe Zawislak	<b>Phone:</b> 360-586-3003	<b>Date:</b> 02/02/2023
<b>OFM Review:</b> Cheri Keller	<b>Phone:</b> (360) 584-2207	<b>Date:</b> 02/02/2023

## 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 AGO Licensing & Administrative Law Division (LAL) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Collection Agency Board (Board). This bill will expressly include legal financial obligations as a debt that, when collected, must follow the requirements of chapter 19.16 RCW. Based on the Board's experience, the Board does not anticipate that it would cause a significant increase in appeals that would increase billing of legal services. New legal services would be nominal, and costs are not included in this request.

The AGO Solicitor General's Office 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.

### 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

<b>Bill Number:</b> 1666 HB	<b>Title:</b> Fee and debt collection	<b>Agency:</b> 240-Department of Licensing
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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
Business and Professions Account-State 06L-1	15,000		15,000		
<b>Total \$</b>	15,000		15,000		

### Estimated Operating Expenditures from:

Account	FY 2024	FY 2025	2023-25	2025-27	2027-29
Business and Professions Account-State 06L-1	15,000	0	15,000	0	0
<b>Total \$</b>	15,000	0	15,000	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: Megan Mulvihill	Phone: 360-786-7304	Date: 01/30/2023
Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 02/03/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 02/03/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/03/2023



## 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.

Please see attached fiscal note.

### 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.

Please see attached fiscal note.

### 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.

Please see attached fiscal note.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
06L-1	Business and Professions Account	State	15,000	0	15,000	0	0
<b>Total \$</b>			15,000	0	15,000	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	15,000		15,000		
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-					
<b>Total \$</b>	15,000	0	15,000	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.*

See attached fiscal note

# Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: HB 1666

Bill Title: Making changes to certain fee and debt collection practices

**Part 1: Estimates**

No Fiscal Impact

**Estimated Cash Receipts:**

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	15,000	-	15,000	-	-
<b>Account Totals</b>		<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>

**Estimated Expenditures:**

		FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years		-	-	-	-	-
Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	15,000	-	15,000	-	-
<b>Account Totals</b>		<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>

*The revenue 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 the fiscal impact is **less than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- 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.
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Megan Mulvihill	Phone: (360) 786-7304	Date:
Agency Preparation: Gina Rogers	Phone: (360) 634-5036	Date: 2/1/2022
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date: 2/1/2022

Request #	1
Bill #	1666 HB

## Part 2 – Explanation

This bill sets new prohibitions for collection agency licensees and employees regarding information that is sent to debtors and codes of conduct. It also limits the fee governmental entities using collection agencies are allowed to charge, as well as allowing businesses whose fees are regulated in WA to charge a transaction fee for credit card payments with limits.

### 2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

#### Sec. 1 – Amends RCW 19.16.100

- (1)(b) further defines “claim” as outstanding public debts owed to government entities or courts

#### Sec. 2 – Amends RCW 19.16.250

- removes the requirement for the debtor’s request to be in written form
- prohibits licensees or their employees from:
  - (8)(c) sending debtors information that implies a claim exists unless it contains an itemization of the claim if it’s the first notice or upon request
    - (d) it must also contain postjudgment collection costs in addition to postjudgment interest if it concerns a judgment obtained against the debtor
  - (30) using false or misleading representation in connection with claim collection
  - (31) using unfair or unconscionable means to attempt or collect claims

#### Sec. 3 – Amends RCW 19.16.500

- (b) limits the fee governmental entities using a collection agency are allowed to charge to 9%
  - Strikes language concerning the agreement between the governmental entity and its collection agency for collection services payment

#### Sec. 4 – Adds a new section to chapter 19.200 RCW

- (1) businesses whose fees or charges are regulated in WA may charge a transaction fee for processing credit card payments if:
  - (a) no-cost payment options are available to debtors
  - (b) no-cost payment options are disclosed at the same time and in the same manner that the debtor’s credit card information is taken
- (2) transaction fee amounts must not exceed the actual amount incurred, or 3% of the payment amount (whichever is less)
- (3) “credit card payment” means any payment made by a card that incurs an interchange fee

#### Sec. 5 – New Section

- Adds an effective date of January 1, 2024

### 2.B - Cash receipts Impact

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	15,000	-	15,000	-	-
<b>Account Totals</b>		<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>

**2.C – Expenditures**

There is a minor operational impact to DOL as third part examiners must disclose and get approval for fee collections. This can be done within existing resources.

System changes have been identified existing of Commercial Off the Shelf products. \$3,000

**Information Services:**

The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

Any change requires a process to ensure changes are correctly applied to the system. This involves Project Managers that manage the team that completes the update, business analyst that documents and reviews the system changes, architect services that analyzes how the update could have an effect on other systems or DOL processes, developers who create the change, and testers and quality assurance teams that ensure the update is working correctly.

Cost Category	Description	Rate	2024	2025	2026	2027	2028	2029	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 22,620	2,300	-	-	-	-	-	2,300
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 16,530	1,700	-	-	-	-	-	1,700
PROJECT MANAGER	Manage schedule and contracts	\$ 28,710	2,900	-	-	-	-	-	2,900
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 16,530	1,700	-	-	-	-	-	1,700
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 22,620	2,300	-	-	-	-	-	2,300
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 25,474	1,100	-	-	-	-	-	1,100
<b>Totals</b>			<b>12,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,000</b>

***What IS Will Implement:***

- Add new and update existing ordinance records to align with state laws and rules

***Project Duration:*** 1 month

***Effective Date:*** 1/1/2024

**Support Services:**

Agency Administrative Overhead is included at a rate of 23.4 percent of the direct program costs. This funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees.

**Part 3 – Expenditure Detail**

**3.A – Operating Budget Expenditures**

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	15,000	-	15,000	-	-
<b>Account Totals</b>		<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>

**3.B – Expenditures by Object or Purpose**

Object of Expenditure	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Goods and Services	15,000	-	15,000	-	-
<b>Total By Object Type</b>		<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>-</b>

**Part 4 – Capital Budget Impact**

None.

**Part 5 – New Rule Making Required**

To implement this legislation, a one-time assessment would need to be added to licenses that are funded with dedicated funds, equal to the costs contained in the expenditure section of this fiscal note. The cost allocation model applied to current expenditures is used to establish the revenue breakdown. For efficiency purposes, the department will add inclusion of this one-time assessment per license, to a planned fee rulemaking process in the spring of 2024, with any fee proposed increases to go into effect in June 2024.