

Multiple Agency Fiscal Note Summary

Bill Number: 1095 S HB	Title: Wage replacement
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Estimated Cash Receipts

NONE

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
Commission on Asian Pacific American Affairs	Fiscal note not available											
Office of State Treasurer	Fiscal note not available											
Office of Attorney General	Fiscal note not available											
Office of Administrative Hearings	Fiscal note not available											
Commission on Hispanic Affairs	Fiscal note not available											
Commission on African-American Affairs	Fiscal note not available											
Department of Enterprise Services	Fiscal note not available											
Employment Security Department	23.6	0	0	8,278,555	46.0	0	0	99,105,558	43.8	0	0	140,485,751
Total \$	23.6	0	0	8,278,555	46.0	0	0	99,105,558	43.8	0	0	140,485,751

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Commission on Asian Pacific American Affairs	Fiscal note not available								
Office of State Treasurer	Fiscal note not available								
Office of Attorney General	Fiscal note not available								
Office of Administrative Hearings	Fiscal note not available								
Commission on Hispanic Affairs	Fiscal note not available								
Commission on African-American Affairs	Fiscal note not available								
Department of Enterprise Services	Fiscal note not available								
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

Estimated Capital Budget Breakout

NONE

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Individual State Agency Fiscal Note

Bill Number: 1095 S HB	Title: Wage replacement	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	21.0	26.1	23.6	46.0	43.8
Account					
Unemployment Compensation Administration Account-Federal 119-2	0	0	0	120,810	167,276
Washington Wage Replacement Account-State New-1	3,266,970	5,011,585	8,278,555	98,984,748	140,318,475
Total \$	3,266,970	5,011,585	8,278,555	99,105,558	140,485,751

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: Kelly Leonard	Phone: 360-786-7147	Date: 02/14/2023
Agency Preparation: Geoff Medendorp	Phone: 360-890-3682	Date: 02/15/2023
Agency Approval: Lisa Henderson	Phone: 360-902-9291	Date: 02/15/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/15/2023

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 Summary Narrative.

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.

Please see attached Operations Summary Narrative.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
119-2	Unemployment Compensation Administration Account	Federal	0	0	0	120,810	167,276
New-1	Washington Wage Replacement Account	State	3,266,970	5,011,585	8,278,555	98,984,748	140,318,475
Total \$			3,266,970	5,011,585	8,278,555	99,105,558	140,485,751

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	21.0	26.1	23.6	46.0	43.8
A-Salaries and Wages	1,633,578	2,044,395	3,677,973	6,567,842	6,052,616
B-Employee Benefits	653,431	817,758	1,471,189	2,627,137	2,421,046
C-Professional Service Contracts		980,000	980,000	2,664,401	1,921,868
E-Goods and Other Services	534,148	611,413	1,145,561	2,563,795	2,689,134
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services				82,893,802	125,754,237
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	445,813	558,019	1,003,832	1,788,581	1,646,850
9-					
Total \$	3,266,970	5,011,585	8,278,555	99,105,558	140,485,751

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
Actuary 3	146,316	1.0	1.0	1.0	1.0	1.0
Administrative Assistant 3	43,800				0.2	0.2
Communications Consultant 2	51,888	1.0	1.0	1.0	1.0	1.0
Communications Consultant 3	57,324	2.0	2.0	2.0	1.5	
Communications Consultant 4	64,788	6.0	6.0	6.0	6.0	5.0
Communications Consultant 5	75,120	2.0	2.0	2.0	1.0	
Employment Security Program Coordinator 2	55,872				0.9	1.1
Executive Management Services Band 3	132,186	1.0	1.0	1.0	1.0	1.0
Fiscal Analyst 4	61,632		0.3	0.2	1.0	1.0
Fiscal Analyst 5	69,756		0.3	0.2	1.0	1.0
Forms & Records Analyst 3	51,888	1.0	1.0	1.0	1.0	1.0
Investigator 3	66,420		0.3	0.2	1.0	1.0
IT App Development - Entry	80,256		0.3	0.2	1.0	1.0
IT App Development - Journey	86,268		0.3	0.2	1.0	1.0
IT App Development - Senior / Specialist	99,864		0.3	0.2	0.7	0.5
IT Architecture - Senior / Specialist	104,868		0.2	0.1	0.2	
IT Business Analyst - Journey	86,268		0.3	0.2	0.7	0.5
IT Data Management - Senior / Specialist	95,100	1.0	1.0	1.0	1.0	1.0
IT Policy & Planning - Manager	110,088		0.3	0.2	0.7	0.5
IT Project Management - Senior / Specialist	99,864		0.3	0.2	0.3	
IT Quality Assurance - Journey	86,268		0.3	0.2	0.7	0.5
IT Quality Assurance - Senior / Specialist	95,100				0.4	0.5
Management Analyst 5	78,900		0.3	0.2	0.7	0.5
Operations Research Specialist	87,144	1.0	1.0	1.0	1.0	1.0
Program Specialist 3	60,156	1.0	1.0	1.0	1.0	1.0
Program Specialist 4	64,788	1.0	1.0	1.0	1.0	1.0
Tax Policy Specialist 3	82,896	2.0	2.0	2.0	1.9	1.5
Technical Training Consultant	68,076		0.3	0.2	0.7	0.5
Unemployment Specialist 2	44,808				0.7	0.9
Unemployment Specialist 3	48,156				4.2	5.5
Unemployment Specialist 4	53,100		1.0	0.5	7.1	8.1
Unemployment Specialist 5	55,872				1.5	2.0
Unemployment Specialist 6	58,704				1.5	2.0
Washington Management Services Band 1	86,736	1.0	1.0	1.0	1.0	
Washington Management Services Band 2	98,088		0.3	0.2	1.0	1.0
Total FTEs		21.0	26.1	23.6	46.0	43.8

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.

Section 21 requires the Employment Security Department (ESD) to adopt rules necessary to implement this bill. Many rules will need to be created or revised in order to do so.

This bill creates an unemployment insurance (UI) benefit program and proposed Title 50C RCW, administered by the Employment Security Department (ESD), to serve undocumented workers who have been found ineligible for regular state unemployment benefits.

ESD will be unable to use federal unemployment insurance funding, due to eligibilities within this title being inconsistent with federal regulation.

SHB 1509 is different from HB 1509 in that it:

- Modifies language in Section 5(4) stating that a claimant must meet both eligibility and qualification requirements.
- Removes the requirement to complete applications steps in Section 6(1)(a) through 6(1)(d) in sequential order.
- Adds a statement in Section 6(3) allowing ESD to consider Section 6(1)(c) eligibility unsatisfied if an employer fails to respond, and ESD receives independent, verified information indicating the claimant failed to satisfy the eligibility standard.
- Adds Section 8(2) that caps a claimant's eligibility at a maximum amount of lessor of 26 times the weekly benefit amount, or one-third of the claimant's base year wages.
- Strikes language from Section 15(a) which prohibited ESD from asking if the claimant is eligible for a social security number.
- Modifies language in Section 15(2) which allows ESD to maintain records containing information beyond 15 days after a claimant's written statement that they are no longer using the program, when ESD determines it is necessary to comply with other legal requirements.

These changes did not change the financial estimate. This Fiscal Note did change from HB1509 estimate due to the Office of the Attorney General (AGO) refining their support estimate.

Section 2 creates definitions and incorporates further definitions from 50.04 RCW. Relevant definitions for ESD are "Benefit(s)", "Employment" and "Resident of the state of Washington".

Section 3 creates a new "Washington wage replacement" account under the custody of the treasurer. The section also limits what funding in the new account can be used for: providing benefits, contracting with community-based organizations for outreach, and administrative expenses of the department.

Section 4 creates an advisory committee of several populations. ESD assumes that committee members will be allowed to attend virtually. ESD estimates approximately 24 hours per month needed to support the committee and will absorb the increased costs.

Section 5 states that claimants are eligible for benefits January 1, 2026 if they filed for an initial determination under Title 50 RCW, were denied based on not being authorized to work in the United States, the department invites the claimant to file under this title, and the claimant meets eligibility under section 6 and 7 of this act.

Section 6 defines the eligibility determination process for claimants. It defines required documentation and authority for the department to request additional verification. It grants authority to the

department to make an eligibility determination under this title. The requirement to first submit a claim through the established process then be denied will increase the work for federally funded unemployment claim processors due to assumed higher number of overall submissions.

Section 7 defines the requirements for claimants to self-attest that they are actively seeking work. It defines what actively seeking work entails. It grants the agency the authority to conduct random audits to confirm claimant's submission.

Section 8 defines the weekly benefit amount for claimants, which is equal to the amount calculated in RCW 50.20.120.

Section 9 restricts a claimant's ability to appeal the determination immediately, but allows for redetermination requests within one year of the date of receiving monetary determination.

Section 10 defines the requirement for ESD to notify a claimant in writing of a denial of benefits. If ESD sets an issue to investigate the nature of a claimant's separation from employment, ESD must notify the claimant their determination.

Section 11 defines disqualifying criteria for the claimant. The disqualifying criteria that claimants cannot be on both industrial insurance and benefits authorized under this act will require ESD to refine its data sharing agreement with the Labor and Industries Department.

Section 12 limits benefits and payables to the amount available in the Washington wage replacement account created in section 3 of this act.

Section 13 limits the releasability of certain information received by ESD from other government entities, if privacy is required by state or federal laws, or an agreement exists between ESD and the other government agency. Persons requesting confidential information provided by other governmental entities need to request the information from the sourcing entity, not from ESD.

Section 14 limits releasability of claimant information by ESD. Information of record can be released: to the claimant or authorized representative, when required by lawful court order or judicial warrant or judicial subpoena, or disclosed in a manner where the identity of the employers cannot be identified, either alone or in combination with other information.

Section 15 prohibits ESD from soliciting or determining certain categories of information from the claimant, or documenting certain categories of information. This section requires the agency to destroy records within 15 days of a claimant's written statement that they are no longer using the program. This section also dictates ESD must establish prohibitions and safeguards against unauthorized access by private or public entities.

Section 17 dictates that ESD must establish a procedure for review, hearings and appeals comparable to those of chapter 50.32 RCW, which complies with confidentiality and privacy protections of this act.

Section 18 requires ESD to create a process for claimants to notify it of payment errors, and for collection and forgiveness of overpayments, and potential fraud.

Section 19 prohibits the assignment, waiver, levy, attachment of rights to benefits of this title.

Section 21 requires ESD to adopt rules necessary to implement this bill. Many WACs will need to be revised to incorporate this title.

To implement this bill the Employment Security Department (ESD) will create a new unemployment benefit program for the benefit of undocumented workers. It will require creation of new policies, new administrative rules, new IT infrastructure, phone systems, and processing staffing.

Benefit Payments

The Agency cannot use federal funding for most of this bill, as processing and paying unemployment benefits to undocumented workers is outside the scope of federal laws and regulations. A new state funding source would need to be identified.

ESD used a report by the Migration Policy Institute, *Profile of the Unauthorized Population: Washington*, available at <https://www.migrationpolicy.org/data/unauthorized-immigrant-population/state/WA>. Washington, available at <https://www.migrationpolicy.org/data/unauthorized-immigrant-population/state/WA> to estimate Trust payments. This report stated that there are 240,000 undocumented workers, of which 94% are working age. It stated that 65,000 of those individuals are not in the labor force, leaving 161,000 undocumented individuals who are participating in the labor force.

The average non-seasonally adjusted unemployment from Q1 2021 was 6.5%. ESD is assuming that undocumented workers are non-seasonally adjusted unemployed at the same rate as documented workers, which in Q1 2021 was 6.5%. ESD also assumes that the percent of total undocumented unemployed workers who receive benefits is the same as documented workers, which is 50.9%. This suggests that 5,327 undocumented workers will receive benefits each year (161,000 x 6.5% unemployment rate (1Q 2021) x 50.9% reciprocity rate (1Q 2021)).

In 2021, Washington state's average annual wage was \$73,504. A regularly paid employee earning the state average annual wage would receive a weekly unemployment benefit of \$707. RCW 50.20.120 states that an individual's weekly benefit amount is calculated by averaging the two highest paid quarters in a claimant's base year, and multiplying that average by 3.85%, and then rounding the result down to the next whole dollar amount ($\$73,504 / 4 = \$18,376$ & $\$18,376 \times 3.85\% = \707.48). ESD is assuming undocumented workers earn annual wages of the 2020 Washington state average.

Individuals who filed claims in Washington starting in the first quarter of 2021 averaged 21 weeks of received unemployment benefit. ESD is assuming undocumented workers receive benefits for the average number of weeks as documented workers in Q1 2021.

Using these assumptions, the state would pay \$14,847 per claim ($\707 per week x 21 weeks).

The estimated total is \$79,089,969 ($\$14,847$ per claim x 5,327 benefit receiving undocumented claimants).

ESD used Q1 2021 to reconcile to a previous report submitted to Washington Legislators in 2021. At that time Q1 2021 was the most recent period available. Changes in assumed unemployment could have a significant effect on the claimant payments. For example, using 2019 average unemployment statistics would yield \$49,885,920 in annual estimated benefits per year. Using 2020 would yield \$102,206,748 estimated benefit payments per year.

As no state has created an unemployment insurance program for undocumented workers there is no direct predecessor to model maturity schedule. ESD is assuming proposed using a paid family and medical leave program implementation from California which yielded the following results:

Years until Program reaches full maturity	Percent of Individuals served
First year of Program (5 years until maturity)	68.058%
Second year of Program (4 years until maturity)	73.503%
Third year of Program (3 years until maturity)	79.383%
Fourth year of Program (2 years until maturity)	85.734%
Fifth year of Program (1 years until maturity)	92.593%
Sixth year of Program (full maturity)	100.000%

The assumptions ESD made suggest that client benefits would cost the following:

Calendar Year 2026	\$53,827,051
Calendar Year 2027	\$58,133,500
Calendar Year 2028	\$62,783,990
Calendar Year 2029	\$67,806,994
Calendar Year 2030	\$73,231,775
Calendar Year 2031	\$79,089,969

Fiscal Year 2026	\$26,913,526
Fiscal Year 2027	\$55,980,276
Fiscal Year 2028	\$60,458,745
Fiscal Year 2029	\$65,295,492
Fiscal Year 2030	\$70,519,385
Fiscal Year 2031	\$76,160,872
Fiscal Year 2032	\$39,544,985

This includes no assumption for wage inflation and does not make assumption for seasonality impacts when dividing annual costs into Fiscal Years.

The Agency assumes the request is to create a functional system, but not one that has as many features as the current unemployment insurance software system, called UTAB.

Agency Costs:

Agency one-time costs:

Communications: will create a robust, multi-lingual communication effort including contracting with external vendors for marketing.

Communication Staff Costs:

Washington Management Services Band 1 – will oversee the communications effort of the team. (FY24 – FY27: 1.0 FTE, \$163,346 per year)

Communications Consultant 5 – will create communication media in an aggressive outreach effort to potential claimants and communities. (FY24 – FY26: 2.0 FTE, \$287,675 per year)

Communications Consultant 4 – will create communication media in an aggressive outreach effort to potential claimants and communities. (FY24 - FY26: 6.0 FTE, \$758,917 per year, FY27: 1.0 FTE, \$126,486)

Communications Consultant 3 – will create communication media in an aggressive outreach effort to potential claimants and communities. (FY24 – FY26 : 2.0 FTE, \$227,902 per year, FY27: 1.0 FTE, \$113,951)

Communications Consultant 2 – will create communication media in an aggressive outreach effort to potential claimants and communities. (FY24 – FY26: 1.0 FTE, \$104,822 per year)

Communication Non-Staff Costs:

Communications will contract with external vendors for online marketing to achieve outreach to target populations. (FY25: \$980,000, FY26: \$965,000, FY27: \$258,000)

Total Communication One Time Costs:

FY24: \$163,346 + \$287,675 + \$758,917 + \$227,902 + \$104,822 = \$1,542,662

FY25: \$163,346 + \$287,675 + \$758,917 + \$227,902 + \$104,822 + \$980,000 = \$2,522,662

FY26: \$163,346 + \$287,675 + \$758,917 + \$227,902 + \$104,822 + \$965,000 = \$2,507,662

FY27: \$163,346 + \$126,486 + \$113,951 + \$258,000= \$661,783

Attorney General Services:

AGO will require staff to advise and provide legal services to ESD. (FY24 – FY26: \$216,000 per year)

Information Technology Services Division (ITSD): will create a new functional system, but not one that has as many features as the current unemployment insurance software systems UTAB.

ITSD Staffing Costs:

Unemployment Specialist 4 – will act as subject matter expert in development of new software and will act as user acceptance pool in ensuring software meets policy and regulation. (FY25: 1.0 FTE, \$106,857 FY26: 2.0 FTE, \$213,715)

Investigator 3 - will act as subject matter expert in development of new software, and will act as user acceptance pool in ensuring software meets policy and regulation. (FY25: 0.3 FTE, \$38,769, FY26: 0.5 FTE, \$64,614)

IT Architecture Senior / Specialist – oversee the macro level development of the new software system. (FY25: 0.2 FTE, \$38,759, FY26: 0.3 FTE, \$58,138)

Management Analyst 5 – will focus on customer experience, and will lead development for that perspective. (FY25: 0.3 FTE, \$45,056, FY26: 0.8 FTE, \$120,149)

Washington Management Services Band 2 – will oversee the change management process and tools for the project. (FY25: 0.3 FTE, \$54,722, FY26: 0.5 FTE, \$91,205)

Technical Training Consultant – creates training plans, documents, and deliver training plans to users. (FY25: 0.3, \$39,603, FY26: 0.5 FTE, \$66,004)

IT Project Management Senior / Specialist – directs the planning and execution of all project work.
(FY25: 0.3 FTE, \$55,617, FY26: 0.5 FTE, \$92,696)

Total ITSD One Time Costs:

FY25: \$106,857 + \$38,769 + \$38,759 + \$45,056 + \$54,722 + \$39,603 + \$55,617 = \$379,383

FY26: \$213,715 + \$64,614 + \$58,138 + \$120,149 + \$91,205 + \$66,004 + \$92,696 = \$706,521

Agency One Time Costs:

FY24: \$1,542,662 + \$216,000 + = \$1,758,662

FY25: \$2,522,662 + \$216,000 + \$379,383 = \$3,118,045

FY26: \$2,507,662 + \$216,000 + \$706,521 = \$3,430,183

FY27: \$661,783

Agency Ongoing costs:

Administrative Services Division Staffing Costs: will manage records requests and sharing agreements. Forms and Records Analyst 3 – manage record storage, retrieval of public records, litigation, discovery and manage record deletion within 15 days of notice per section 15. (FY24 and ongoing: 1.0 FTE, \$104,822)

Program Specialist 4 – will manage record storage, retrieval of public records, litigation, discovery and manage record deletion within 15 days of notice per section 15. (FY24 and ongoing: 1.0 FTE, \$126,486)

Program Specialist 3 – will develop and manage data sharing agreements with other agencies or programs, including OAH, PFML, regular UI, Department of Labor and Industries. (FY24 and ongoing: 1.0 FTE, \$118,707)

ASD total ongoing costs:

FY24 and ongoing: \$104,822 + \$126,486 + \$118,707 = \$350,015

Data Division Staff Costs: forecasting and projecting number of claimants, benefits, and to scope scenarios.

Actuary 3 – forecast and project number of claimants and estimate trust fund liabilities. (FY24 and ongoing: 1 FTE, \$263,404)

Operations Research Specialist – direct evaluations and analysis of the program. (FY24 and ongoing: 1.0 FTE, \$164,030)

IT Data Management Senior / Specialist – create and administer data sets used in actuarial econometric and evaluation analysis. (FY24 and ongoing: 1.0 FTE, \$177,391)

Data Recurring Costs

FY24 and ongoing: \$263,404 + \$164,031 + \$177,392 = \$604,825

Employment System Policy and Integrity Staffing Costs:

Tax Policy Specialist 3 – will be needed to write policies for the agency, and to support the rule making process throughout the lifetime of the program. (FY24 - FY26: 2.0 FTE, \$313,794 per year, FY27: 1.8 FTE, \$282,417, FY28 and ongoing: 1.5 FTE, \$235,346)

Unemployment Insurance Division Staffing Costs: will process, review, and approve or deny claims.
Executive Management Services – Band 3: will communicate and report progress of program implementation and ensure compliance with all sections of this bill. (FY24 and ongoing: 1.0 FTE, \$239,674)

Employment Security Program Coordinator 2 – answer customer inquiries, review claims for benefits, investigate potential issues, make determinations, collect overpayments. (FY26: 0.6 FTE, \$66,907, FY27 and ongoing: 1.1 FTE, \$122,664)

Unemployment Specialist 3 - answer customer inquiries, review claims for benefits, investigate potential issues, make determinations, collect overpayments. (FY26: 2.8 FTE, \$275,953, FY27 and ongoing: 5.5 FTE, \$542,049)

Unemployment Specialist 4 - answer customer inquiries, review claims for benefits, investigate potential issues, make determinations, collect overpayments. 2.6 are required to conduct random audits required by section 7. (FY26: 4.1 FTE, \$438,115, FY27 and ongoing: 8.1 FTE, \$865,544)

Unemployment Specialist 5 – lead position over the team. (FY26: 1.0 FTE, \$111,513, FY27 and ongoing: 2.0 FTE, \$223,025)

Unemployment Specialist 6 – supervisor position over the team. (FY26: 1.0 FTE, \$116,269, FY27 and ongoing: 2.0 FTE, \$232,537)

Washington Management Service Band 2 – manage the operational team. (FY26: 0.5 FTE, \$91,205, FY27 and ongoing: 1.0 FTE, \$182,410)

Technical Training Consultant - creates training plans, documents, and deliver training plans to operational team. (FY26: 0.3 FTE, \$39,603, FY27 and ongoing: 0.5 FTE, \$66,004)

Investigator 3 – will analyze information, investigate, and identify fraudulent claims. (FY26: 0.5 FTE, \$64,613, FY27 and ongoing: 1.0 FTE, \$129,227)

Administrative Assistant 3 – will fulfill administrative support for the team. (FY26: 0.1 FTE, \$9,124, FY27 and ongoing: 0.2 FTE, \$18,248)

Unemployment Specialist 2 – will process increased claims due to more submissions. Will be funded by federal funding. (FY26: 0.4 FTE, \$37,172, FY27 and ongoing: 0.9 FTE, \$83,638)

Unemployment Insurance Non Staff Costs:

Additional funding will be required to increase the capacity of ESD's phone systems and provide Language Link interpreter services. (FY26: \$480,467, FY27 and ongoing: \$960,934)

Total Unemployment Insurance Ongoing Costs:

FY24: \$239,674

FY25: \$239,674

FY26: \$239,674 + \$66,907 + \$275,953 + \$438,115 + \$111,513 + \$116,269 + \$91,205 + \$39,603 + \$64,613 + \$9,124 + \$37,172 + \$480,467 = \$1,970,615

FY27 and ongoing: \$239,674 + \$122,664 + \$542,049 + \$865,544 + \$223,025 + \$232,537 + \$182,410 + \$66,004 + \$129,227 + \$18,248 + \$83,638 + \$960,934 = \$3,665,954

Financial Services Division Staffing Costs:

Fiscal Analyst 4 – will process draws, coordinate with IRS and banking institutions, post journal entries, and perform reconciliations. (FY25: 0.3 FTE, \$36,356, FY26: and ongoing: 1.0 FTE, \$121,186)

Fiscal Analyst 5 – will process draws, coordinate with IRS and banking institutions, post journal entries, and perform reconciliations. (FY25: 0.3 FTE, \$40,449, FY26 and ongoing: 1.0 FTE, \$134,829)

Total Financial Services Division Staffing Costs:

FY25: \$36,356 + \$40,449 = \$76,805

FY26 and ongoing: \$121,186 + \$134,829 = \$256,015

ITSD Division Staffing Costs:

IT Application Development Senior / Specialist – will write the code for the new software and configure changes. (FY25: 0.3 FTE, \$55,619, FY26: 0.8 FTE, \$148,313, FY27 and ongoing: 0.5 FTE, \$92,696)

IT Application Development Journey – will write the code for the new software and configure changes. (FY25: 0.3 FTE, \$48,767, FY26 and ongoing: 1 FTE, \$162,560)

IT Application Development Entry – will write the code for the new software and configure changes. (FY25: 0.3 FTE, \$45,739, FY26 and ongoing: 1 FTE, \$152,463)

IT Policy & Planning Manager – responsible for all staff and contractors providing technical support. (FY25: 0.3 FTE, \$60,768, FY26: 0.8 FTE, \$162,050, FY27 and ongoing: 0.5 FTE, \$101,281)

IT Quality Assurance Journey – will work with team to create test approach, process test scenarios, automate tests. (FY25: 0.3 FTE, \$48,767, FY26: 0.8 FTE, \$130,047, FY27 and ongoing: 0.5 FTE, \$81,280)

IT Quality Assurance Senior / Specialist – automate testing to ensure system integrity. (FY26: 0.3 FTE, \$53,218, FY27 and ongoing: 0.5 FTE, \$88,696)

IT Business Analysts Journey – gather detailed scope and requirements of the work desired. (FY25: 0.3 FTE, \$48,767, FY26: 0.8 FTE, \$130,047, FY27 and ongoing: 0.5 FTE, \$81,280)

Management Analyst 5 – responsible for population analysis and outreach. (FY26 and ongoing: 0.5 FTE, \$75,093)

ITSD Total Ongoing Costs:

FY25: \$55,619 + \$48,767 + \$45,739 + \$60,768 + \$48,767 + \$48,767 = \$308,427

FY26: \$148,313 + \$162,560 + \$152,463 + \$162,050 + \$130,047 + \$53,218 + \$130,047 = \$938,698

FY27: \$92,696 + \$162,560 + \$152,463 + \$101,281 + \$81,280 + \$88,696 + \$81,280 + \$75,093 = \$835,349

Office of Administrative Hearings:

The Office of Administrative Hearings will review appeals for benefits. This assumes 1,596 appeals filed by claimants per year. (FY26: \$273,000, FY27 and ongoing \$546,000)

Communications Staff Costs:

Communications Consultant 4 – will create communication media in an aggressive outreach effort to potential claimants and communities. (FY27 and ongoing 5.0 FTE, \$632,431)

Communications Consultant 2 – will create communication media in an aggressive outreach effort to potential claimants and communities. (FY27 and ongoing 1.0 FTE, \$104,822)

Total Communications Ongoing costs:

FY27 and ongoing: \$104,822 + \$632,431 = \$737,253

Attorney General Services:

AGO will require staff to advise and provide legal services to ESD. (FY27 and ongoing: \$135,000)

Total Agency Ongoing Costs

FY24: $\$350,015 + \$604,825 + \$313,794 + \$239,674 = \$1,508,308$

FY25: $\$350,015 + \$604,825 + \$313,794 + \$239,674 + \$76,805 + \$308,427 = \$1,893,540$

FY26: $\$350,015 + \$604,825 + \$313,794 + \$1,970,615 + \$256,015 + \$938,698 + \$273,000 = \$4,706,962$

FY27: $\$350,015 + \$604,825 + \$282,417 + \$3,665,954 + \$256,015 + \$835,349 + \$546,000 + \$737,253 + \$135,000 = \$7,412,828$

FY28 and ongoing: $\$350,015 + \$604,825 + \$235,346 + \$3,665,954 + \$256,015 + \$835,349 + \$546,000 + \$737,253 + \$135,000 = \$7,365,757$

Total Agency Costs:

FY24: $\$1,758,662 + \$1,508,308 = \$3,266,970$

FY25: $\$3,118,045 + \$1,893,540 = \$5,011,585$

FY26: $\$3,430,183 + \$4,706,962 + \$26,913,526 = \$35,050,671$

FY27: $\$661,783 + \$7,412,828 + \$55,980,276 = \$64,054,887$

FY28: $\$7,365,757 + \$60,458,745 = \$67,824,502$

FY29: $\$7,365,757 + \$65,295,492 = \$72,661,249$