

Multiple Agency Fiscal Note Summary

Bill Number: 5111 S SB	Title: Sick leave/construction
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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
Office of Administrative Hearings	Fiscal note not available											
Department of Labor and Industries	.3	0	0	87,000	.0	0	0	0	.0	0	0	0
Total \$	0.3	0	0	87,000	0.0	0	0	0	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Administrative Hearings	Fiscal note not available								
Department of Labor and Industries	.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: 5111 S SB	Title: Sick leave/construction	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	0.5	0.0	0.3	0.0	0.0
Account					
Accident Account-State 608-1	74,000	0	74,000	0	0
Medical Aid Account-State 609-1	13,000	0	13,000	0	0
Total \$	87,000	0	87,000	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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/15/2023
Agency Preparation: Donald Jenson Jr	Phone: 360-902-6981	Date: 02/17/2023
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 02/17/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/17/2023

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
608-1	Accident Account	State	74,000	0	74,000	0	0
609-1	Medical Aid Account	State	13,000	0	13,000	0	0
Total \$			87,000	0	87,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5		0.3		
A-Salaries and Wages	45,000		45,000		
B-Employee Benefits	16,000		16,000		
C-Professional Service Contracts					
E-Goods and Other Services	16,000		16,000		
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 \$	87,000	0	87,000	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
Administrative Regulations Analyst 4	85,020	0.5		0.3		
Fiscal Analyst 5	71,520	0.0		0.0		
Total FTEs		0.5		0.3		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 relates to requiring payment for accrued and unused sick leave for certain construction workers, amending RCW 49.46.210 and RCW 49.46.180.

The differences between SSB 5111 and SB 5111 include:

- SSB 5111 removes the requirement that employers must pay former construction workers the balance of their accrued and unused paid sick leave at the end of the calendar year if the worker separates after meeting the 90-day eligibility requirement to use paid sick leave.
- SSB 5111 add a reference to payout requirements provided RCW 49.46.210(1)(l) at the end of Section 2 of RCW 49.46.180.
- SSB 5111 adds the effective date of January 1, 2024.

These differences do not change the fiscal impact to the Department of Labor and Industries.

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

Section 1(1) amends RCW 49.46.210 stating for construction workers covered under an approved referral union program authorized under RCW 50.20.010 and in compliance with WAC 192-210-110, the employer must pay former workers who have not reached the 90-day eligibility requirement listed under RCW 49.46.210(1)(d) the balance of their unused, accrued paid sick leave at time of separation.

Section 2 amends RCW 49.46.180 adding a provision about the payment of accrued and unused sick leave may be made in accordance with RCW 49.46.210.

Section 3 states this act takes effect January 1, 2024.

II. B – Cash Receipt Impact

Receivables – Operating

None. The Department of Labor and Industries (L&I) does not anticipate investigating many complaints related to this bill. Therefore, no additional revenue related to employer penalties is expected.

II. C – Expenditures

Appropriated – Operating Costs

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

Staffing

0.5 FTE, Administrative Regulations Analyst 4 (ARA4), temporary, from July 1, 2023 through June 30, 2024. Duties include conducting rulemaking activities, conducting public hearings, drafting administrative policies and technical guidance, and creating resources for stakeholders.

Rule making

\$5,000 is needed for two rule making hearings to occur during fiscal year 2024. The average cost of one rule making hearing is \$2,500. (2 hearings x \$2,500 each = \$5,000) While rule making is not required by the bill, it will be necessary to clarify the new requirements.

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
608	Accident	2,500	0	0	0	0	0
609	Medical Aid	500	0	0	0	0	0
	Total:	\$3,000	\$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 296-128, Minimum wages