

Multiple Agency Fiscal Note Summary

Bill Number: 5518 S SB	Title: Cybersecurity
-------------------------------	-----------------------------

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
Consolidated Technology Services	0	0	134,000	0	0	134,000	0	0	134,000
Total \$	0	0	134,000	0	0	134,000	0	0	134,000

Estimated Operating Expenditures

Agency Name	2023-25	2025-27	2027-29

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
Joint Legislative Systems Committee	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Lieutenant Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Public Disclosure Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Leadership Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of the Secretary of State	.0	0	0	0	.0	0	0	0	.0	0	0	0
Governor's Office of Indian Affairs	.0	0	0	0	.0	0	0	0	.0	0	0	0
Commission on Asian Pacific American Affairs	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Auditor	.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
Caseload Forecast Council	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Financial Institutions	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	Fiscal note not available											
Economic and Revenue Forecast Council	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Financial Management	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Health Care Authority	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Administrative Hearings	.0	0	0	0	.0	0	0	0	.0	0	0	0
State Lottery	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Gambling Commission	Fiscal note not available											
Commission on Hispanic Affairs	.0	0	0	0	.0	0	0	0	.0	0	0	0
Commission on African-American Affairs	.0	0	0	0	.0	0	0	0	.0	0	0	0
Human Rights Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Retirement Systems	.0	0	0	0	.0	0	0	0	.0	0	0	0
State Investment Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Revenue	.0	0	0	0	.0	0	0	0	.0	0	0	0

Board of Tax Appeals	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Minority and Women's Business Enterprises	.0	0	0	0	.0	0	0	0	.0	0	0	0
Housing Finance Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Insurance Commissioner	.0	0	0	0	.0	0	0	0	.0	0	0	0
Consolidated Technology Services	.5	0	0	134,000	.5	0	0	134,000	.5	0	0	134,000
Board of Accountancy	.0	0	0	0	.0	0	0	0	.0	0	0	0
Board of Registration for Professional Engineers & Land Surveyors	.0	0	0	0	.0	0	0	0	.0	0	0	0
Forensic Investigations Council	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Horse Racing Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Board of Industrial Insurance Appeals	Fiscal note not available											
Liquor and Cannabis Board	1.0	0	0	281,825	1.0	0	0	275,720	1.0	0	0	275,720
Board of Pilotage Commissioners	.0	0	0	0	.0	0	0	0	.0	0	0	0
Utilities and Transportation Commission	.1	0	0	36,340	.1	0	0	36,340	.1	0	0	36,340
Board for Volunteer Firefighters and Reserve Officers	Fiscal note not available											
Washington State Patrol	.0	0	0	0	.0	0	0	0	.0	0	0	0
Criminal Justice Training Commission	Fiscal note not available											
Traffic Safety Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Independent Investigations	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Licensing	.0	0	0	0	.0	0	0	0	.0	0	0	0
Military Department	1.0	268,372	268,372	268,372	1.0	263,372	263,372	263,372	1.0	263,372	263,372	263,372
Public Employment Relations Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0

Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Veterans Affairs	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Children, Youth, and Families	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Corrections	Fiscal note not available											
Department of Services for the Blind	.0	0	0	0	.0	0	0	0	.0	0	0	0
Student Achievement Council	.0	0	0	0	.0	0	0	0	.0	0	0	0
Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
Superintendent of Public Instruction	Fiscal note not available											
State School For The Blind	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Center for Childhood Deafness and Hearing Loss	.0	40,000	40,000	40,000	.0	20,000	20,000	20,000	.0	20,000	20,000	20,000
Workforce Training and Education Coordinating Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Archaeology and Historic Preservation	.0	0	0	0	.0	0	0	0	.0	0	0	0
University of Washington	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State University	.0	15,934	15,934	15,934	.0	0	0	0	.0	0	0	0
Eastern Washington University	.1	26,000	26,000	26,000	.1	26,000	26,000	26,000	.1	26,000	26,000	26,000
Central Washington University	.0	0	0	0	.0	0	0	0	.0	0	0	0
The Evergreen State College	.0	0	0	0	.0	0	0	0	.0	0	0	0
Western Washington University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Arts Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Historical Society	.0	0	0	0	.0	0	0	0	.0	0	0	0
Eastern Washington State Historical Society	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Transportation	.0	0	0	0	.0	0	0	0	.0	0	0	0
County Road Administration Board	.0	0	0	0	.0	0	0	0	.0	0	0	0

Transportation Improvement Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
Transportation Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Freight Mobility Strategic Investment Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
Columbia River Gorge Commission	Fiscal note not available											
Department of Ecology	Fiscal note not available											
Pollution Liability Insurance Program	Fiscal note not available											
Energy Facility Site Evaluation Council	Fiscal note not available											
State Parks and Recreation Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Recreation and Conservation Funding Board	Fiscal note not available											
Environmental and Land Use Hearings Office	Fiscal note not available											
State Conservation Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Fish and Wildlife	.0	0	0	0	.0	0	0	0	.0	0	0	0
Puget Sound Partnership	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Natural Resources	Fiscal note not available											
Department of Agriculture	.0	0	0	0	.0	0	0	0	.0	0	0	0
Employment Security Department	.0	0	0	0	.0	0	0	0	.0	0	0	0
Community and Technical College System	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	2.7	350,306	350,306	802,471	2.7	309,372	309,372	755,432	2.7	309,372	309,372	755,432

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Joint Legislative Systems Committee	.0	0	0	.0	0	0	.0	0	0
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Office of Lieutenant Governor	.0	0	0	.0	0	0	.0	0	0
Public Disclosure Commission	.0	0	0	.0	0	0	.0	0	0
Washington State Leadership Board	.0	0	0	.0	0	0	.0	0	0
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Governor's Office of Indian Affairs	.0	0	0	.0	0	0	.0	0	0
Commission on Asian Pacific American Affairs	.0	0	0	.0	0	0	.0	0	0
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of State Auditor	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Caseload Forecast Council	.0	0	0	.0	0	0	.0	0	0
Department of Financial Institutions	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	Fiscal note not available								
Economic and Revenue Forecast Council	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Office of Administrative Hearings	.0	0	0	.0	0	0	.0	0	0
State Lottery	.0	0	0	.0	0	0	.0	0	0
Washington State Gambling Commission	Fiscal note not available								
Commission on Hispanic Affairs	.0	0	0	.0	0	0	.0	0	0
Commission on African-American Affairs	.0	0	0	.0	0	0	.0	0	0
Human Rights Commission	.0	0	0	.0	0	0	.0	0	0
Department of Retirement Systems	.0	0	0	.0	0	0	.0	0	0
State Investment Board	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Board of Tax Appeals	.0	0	0	.0	0	0	.0	0	0
Office of Minority and Women's Business Enterprises	.0	0	0	.0	0	0	.0	0	0
Housing Finance Commission	.0	0	0	.0	0	0	.0	0	0

Office of Insurance Commissioner	.0	0	0	.0	0	0	.0	0	0
Consolidated Technology Services	.0	0	0	.0	0	0	.0	0	0
Board of Accountancy	.0	0	0	.0	0	0	.0	0	0
Board of Registration for Professional Engineers & Land Surveyors	.0	0	0	.0	0	0	.0	0	0
Forensic Investigations Council	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Horse Racing Commission	.0	0	0	.0	0	0	.0	0	0
Board of Industrial Insurance Appeals	Fiscal note not available								
Liquor and Cannabis Board	.0	0	0	.0	0	0	.0	0	0
Board of Pilotage Commissioners	.0	0	0	.0	0	0	.0	0	0
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Board for Volunteer Firefighters and Reserve Officers	Fiscal note not available								
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Criminal Justice Training Commission	Fiscal note not available								
Traffic Safety Commission	.0	0	0	.0	0	0	.0	0	0
Office of Independent Investigations	.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 Licensing	.0	0	0	.0	0	0	.0	0	0
Military Department	.0	0	0	.0	0	0	.0	0	0
Public Employment Relations Commission	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Department of Veterans Affairs	.0	0	0	.0	0	0	.0	0	0
Department of Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
Department of Corrections	Fiscal note not available								
Department of Services for the Blind	.0	0	0	.0	0	0	.0	0	0
Student Achievement Council	.0	0	0	.0	0	0	.0	0	0

Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	Fiscal note not available								
State School For The Blind	.0	0	0	.0	0	0	.0	0	0
Washington State Center for Childhood Deafness and Hearing Loss	.0	0	0	.0	0	0	.0	0	0
Workforce Training and Education Coordinating Board	.0	0	0	.0	0	0	.0	0	0
Department of Archaeology and Historic Preservation	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Eastern Washington University	.0	0	0	.0	0	0	.0	0	0
Central Washington University	.0	0	0	.0	0	0	.0	0	0
The Evergreen State College	.0	0	0	.0	0	0	.0	0	0
Western Washington University	.0	0	0	.0	0	0	.0	0	0
Washington State Arts Commission	.0	0	0	.0	0	0	.0	0	0
Washington State Historical Society	.0	0	0	.0	0	0	.0	0	0
Eastern Washington State Historical Society	.0	0	0	.0	0	0	.0	0	0
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
County Road Administration Board	.0	0	0	.0	0	0	.0	0	0
Transportation Improvement Board	.0	0	0	.0	0	0	.0	0	0
Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Freight Mobility Strategic Investment Board	.0	0	0	.0	0	0	.0	0	0
Columbia River Gorge Commission	Fiscal note not available								
Department of Ecology	Fiscal note not available								
Pollution Liability Insurance Program	Fiscal note not available								
Energy Facility Site Evaluation Council	Fiscal note not available								
State Parks and Recreation Commission	.0	0	0	.0	0	0	.0	0	0

Recreation and Conservation Funding Board	Fiscal note not available								
Environmental and Land Use Hearings Office	Fiscal note not available								
State Conservation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	.0	0	0	.0	0	0	.0	0	0
Puget Sound Partnership	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	Fiscal note not available								
Department of Agriculture	.0	0	0	.0	0	0	.0	0	0
Employment Security Department	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	.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

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Preliminary 2/21/2023
---------------------------------------	---------------------------------	---

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 038-Joint Legislative Systems Committee
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Kim Jorgenson	Phone: 3607867027	Date: 02/17/2023
Agency Approval: Kim Jorgenson	Phone: 3607867027	Date: 02/17/2023
OFM Review: Steven Puvogel	Phone: (360) 701-6459	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.

The previous provisions in this bill were stricken in committee and the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce.

A summary of changes include:

- Changes bill title.
- Strikes all provisions of the underlying bill.
- Provides a definition for ransomware.
- Establishes the Cybersecurity Advisory Committee within the Emergency Management Council.
- Establishes the TSB Security Subcommittee within WaTech.
- Requires the Military Department, the Cybersecurity Advisory Committee, WaTech, and the TSB Security Subcommittee to collaborate.
- Specifies the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state.
- Specifies the Department of Commerce also has the power and duty to prepare and update contingency plans for securing energy infrastructure against all physical and cybersecurity threats.

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: 5518 S SB	Title: Cybersecurity	Agency: 075-Office of the Governor
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/17/2023
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 02/17/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/18/2023

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.

Changes in the substitute do not impact the Governor's previous fiscal note assumptions.

The substitute bill had the following difference:

The prescriptive requirements for immutable data backups and reporting on managed data have been removed.

The substitute in Sec. 2 (4) (a) creates a Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council.

Sec 3 creates the Technology Services Board Security Subcommittee within the Technology Services Board.

Original fiscal note language:

Sec 3 (1) Expands WaTech's statutory mandate to include the adoption of enterprise technology standards specific to malware and ransomware protection, backup, and recovery as well as prevention education.

Sec 3 (3) requires agencies to have immutable backups for all mission critical applications, business essential applications, and other resources containing category 3 or category 4 data.

Sec 3 (4) requires agencies to report the following to the office of the state chief information officer by September 30, 2023, and biannually thereafter.

(a) The total size of managed data

(b) A list of mission critical applications and business essential applications

(c) A list of the applications described in (b) that do not have immutable backup

(d) A list of prioritized applications based on mission criticality and impact to constituents in the event of system failure or data loss

The services impacted by this legislation are provided to the Governor's office by OFM. Any impacts associated with this legislation will be reflected in OFM's 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.

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: 5518 S SB	Title: Cybersecurity	Agency: 080-Office of Lieutenant Governor
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/20/2023

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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Office of the Lieutenant Governor

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: 5518 S SB	Title: Cybersecurity	Agency: 082-Public Disclosure Commission
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Bret Skipworth	Phone: 360-407-8121	Date: 02/17/2023
Agency Approval: Bret Skipworth	Phone: 360-407-8121	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Per the assumptions provided by the lead agency, this bill will only impact WaTech, the Military Department, and the Department of Commerce. Therefore, no impact is anticipated for the Public Disclosure Commission.

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: 5518 S SB	Title: Cybersecurity	Agency: 083-Washington State Leadership Board
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Bitar Paul	Phone: (360) 407-8129	Date: 02/16/2023
Agency Approval: Bitar Paul	Phone: (360) 407-8129	Date: 02/16/2023
OFM Review: Val Terre	Phone: (360) 280-3973	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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Washington State Leadership Board.

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: 5518 S SB	Title: Cybersecurity	Agency: 085-Office of the Secretary of State
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Mike Woods	Phone: (360) 704-5215	Date: 02/17/2023
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 02/17/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/20/2023

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.

SSB 5518 is a striker and is significantly different than the previous version of the bill (SB 5518).

Summary of SSB 5518

Section 1 defines ransomware as a type of malware that attempts to deny a user access to data or systems.

Section 2 creates a cybersecurity advisory committee as a subcommittee of the existing emergency management council. The cybersecurity advisory committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors.

Section 3 creates the technology services board security subcommittee as part of the technology services board.

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.

Representatives of the Office of the Secretary of State (OSOS) are not part of any of the new committees created by this bill. The requirements of this bill are only applicable to WaTech, the Military Department, and the Department of Commerce. Therefore, no fiscal impact to the OSOS.

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: 5518 S SB	Title: Cybersecurity	Agency: 086-Governor's Office of Indian Affairs
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Seth Flory	Phone: 360-407-8165	Date: 02/20/2023
Agency Approval: Seth Flory	Phone: 360-407-8165	Date: 02/20/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/21/2023

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.

Per assumptions released by the lead agency, Substitute Senate Bill 5518 relating to cybersecurity will only directly impact WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Governor's Office of Indian Affairs (GOIA).

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: 5518 S SB	Title: Cybersecurity	Agency: 087-Commission on Asian Pacific American Affairs
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Commission on Asian Pacific American Affairs.

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: 5518 S SB	Title: Cybersecurity	Agency: 090-Office of State Treasurer
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 02/17/2023
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

SSB 5518 creates the cybersecurity advisory committee.

There is no fiscal impact to the office.

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: 5518 S SB	Title: Cybersecurity	Agency: 095-Office of State Auditor
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Charleen Patten	Phone: 564-999-0941	Date: 02/17/2023
Agency Approval: Janel Roper	Phone: 564-999-0820	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Section 2(4)(2) creates a cybersecurity advisory committee, which would be a subcommittee of the state's emergency management council. This committee shall bring together organizations with expertise and responsibility for cybersecurity and incident response.

The bill does not specifically name the State Auditor's Office as having involvement therefore we are assuming no fiscal impact. If the State Auditor's Office were to serve on or provide advice to the committee, there is potential to be fiscal impact that would be based on the level of involvement.

The original SB 5518 included language that had a fiscal impact for the State Auditor's Office which has been removed from this substitute bill.

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: 5518 S SB	Title: Cybersecurity	Agency: 100-Office of Attorney General
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 02/17/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/17/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	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.

The AGO Agriculture & Health Division (AHD) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Commerce (Commerce). New legal services are nominal and costs are not included in this request.

The AGO Transportation and Public Construction (TPC) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing Washington Technology Solutions (WaTech). New legal services are nominal and costs are not included in this request.

The AGO Information Services Division (ISD) has reviewed this bill and determined it will not significantly increase or decrease the division's workload. Previous requirements that had fiscal impacts have been removed from this version. Therefore, 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

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 101-Caseload Forecast Council
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Erik Cornellier	Phone: 360-664-9375	Date: 02/17/2023
Agency Approval: Erik Cornellier	Phone: 360-664-9375	Date: 02/17/2023
OFM Review: Cynthia Hollimon	Phone: (360) 810-1979	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.

Section 2 creates the Cybersecurity Advisory Committee of the Emergency Management Council to provide advice and recommendations that strengthen cybersecurity.

Section 3 creates the Technology Services Board Security Subcommittee.

Section 5 requires the Department of Commerce to prepare and update contingency plans for security energy infrastructure against all physical and cybersecurity threats.

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.

There is no fiscal impact to the Caseload Forecast Council since it would not serve on any of the bodies created by the bill and it is not directed to do anything.

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: 5518 S SB	Title: Cybersecurity	Agency: 102-Department of Financial Institutions
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Emily Fitzgerald	Phone: (360) 902-8780	Date: 02/17/2023
Agency Approval: Emily Fitzgerald	Phone: (360) 902-8780	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

This legislation establishes the Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council and creates the Technology Services Board Security Subcommittee within the Technology Service Board. A previous version of this bill instructed agencies to ensure all mission critical applications have immutable backups, perform an assessment of all applications and resources containing data, and report to the OCIO the sizing of managed data. This agency level work is no longer contemplated in this legislation. This bill has no fiscal impact for the Department of Financial Institutions.

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: 5518 S SB	Title: Cybersecurity	Agency: 104-Economic and Revenue Forecast Council
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Seth Flory	Phone: (360) 407-8165	Date: 02/20/2023
Agency Approval: Seth Flory	Phone: (360) 407-8165	Date: 02/20/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/20/2023

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.

Per assumptions released by the lead agency, Substitute Senate Bill 5518 relating to cybersecurity will only directly impact WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Economic & Revenue Forecast Council (ERFC).

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: 5518 S SB	Title: Cybersecurity	Agency: 105-Office of Financial Management
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/17/2023
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 02/17/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/18/2023

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 substitute bill had the following differences:

The prescriptive requirements for immutable data backups and reporting on managed data have been removed.

The substitute in Sec. 2 (4) (a) creates a cybersecurity advisory committee as s a subcommittee of the emergency management council.

Sec 3 creates the technology services board security subcommittee within the Technology Services Board.

The OFM fiscal impact submitted for SB 5518 was based on the requirement for immutable data backups, because the requirement has been removed there is no fiscal impact for the substitute.

Original fiscal note language:

Sec 3 (1) Expands WaTech's statutory mandate to include the adoption of enterprise technology standards specific to malware and ransomware protection, backup, and recovery as well as prevention education.

Sec 3 (3) requires agencies to have immutable backups for all mission critical applications, business essential applications, and other resources containing category 3 or category 4 data.

Sec 3 (4) requires agencies to report the following to the Office of the State Chief Information Officer by September 30, 2023, and biannually thereafter.

(a) The total size of managed data

(b) A list of mission critical applications and business essential applications

(c) A list of the applications described in (b) that do not have immutable backup

(d) A list of prioritized applications based on mission criticality and impact to constituents in the event of system failure or data loss

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: 5518 S SB	Title: Cybersecurity	Agency: 107-Washington State Health Care Authority
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Lena Johnson	Phone: 360-725-5295	Date: 02/17/2023
Agency Approval: Carl Yanagida	Phone: 360-725-5755	Date: 02/17/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/20/2023

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 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.

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.

HCA Fiscal Note

Bill Number: SSB 5518

HCA Request #: 23-144

Part II: Narrative Explanation

AN ACT Relating to the protection of critical constituent and state operational data against the financial and personal harm caused by ransomware and other malicious cyber activities.

II. A - Brief Description of What the Measure Does That Has Fiscal Impact

This bill represents a complete rewrite of SB 5518.

Section 1 defines the terms used in the sections that follow.

Section 2 amends RCW 38.52.040 to create the emergency management council with members appointed by the adjutant general. The emergency management council shall advise the governor and the director on all matters pertaining to state and local emergency management. Added by this revised bill is the creation of the cybersecurity advisory committee as a subcommittee of the emergency management council. The purpose of the subcommittee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors.

Section 3 amends RCW 43.105 to create the security subcommittee within the technologies services board. Members of the subcommittee will be comprised of a subset of members appointed to the board and will have the following powers:

- Review emergent cyberattacks and threats to critical infrastructure sectors to identify gaps in state agency cybersecurity policies.
- Assess emerging risks to state agency information technology.
- Recommend a reporting and information sharing system to notify state agencies of new risks, risk treatment opportunities, and project shortfalls in response and recovery.
- Recommend tabletop cybersecurity exercises, including data breach simulation exercises.
- Assist the office of cybersecurity created in RCW 43.105.450 in developing cybersecurity best practice recommendations for state agencies.
- Review the proposed policies and standards developed by the office of cybersecurity and recommend their approval to the full board.
- Review information relating to cybersecurity incidents and ransomware incidents to determine commonalities and develop best practice recommendations for public agencies.
- Assist the agency and the military department in creating the state cybersecurity report on December 1, 2023, and annually on each December 1.

Section 4 amends RCW 42.56 to exclude the reports and information designated as confidential are not to be disclosed.

Section 5 amends RCW 43.21F.045 to include securing energy infrastructure against all physical and cybersecurity threats in the department's contingency plans.

II. B - Cash Receipts Impact

None.

II. C – Expenditures

No fiscal impact.

HCA Fiscal Note

Bill Number: SSB 5518

HCA Request #: 23-144

As written, this bill removes all of the previous impacts to the Washington State Health Care Authority (HCA). Changes in this version of the bill removes all public agency requirements for immutable backup which results in no fiscal impact to HCA.

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Require

None.

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 110-Office of Administrative Hearings
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 02/16/2023
Agency Approval: Deborah Feinstein	Phone: 360-407-2717	Date: 02/16/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	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.

No fiscal impact. This legislation will not measurably increase the workload for the Office of Administrative Hearings (OAH).

OAH responsibilities include complying with Office of the Chief Information Officer and Office of Cybersecurity governance policies and reporting. OAH already has these responsibilities.

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.

None.

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.

None.

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: 5518 S SB	Title: Cybersecurity	Agency: 116-State Lottery
-------------------------------	-----------------------------	----------------------------------

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: John Iyall	Phone: 360-810-2870	Date: 02/17/2023
Agency Approval: Josh Johnston	Phone: 360-810-2878	Date: 02/17/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/20/2023

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 43.105.020 to add a definition of “ransomware.”

Section 2 amends RCW 38.52.040 to create a Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council. The goal of the Cybersecurity Advisory Committee is to provide recommendations on building and sustaining the state’s capability to identify and mitigate cybersecurity risks and to respond and recover from cybersecurity-related incidents.

New Section 3 creates a Technology Services Board Security Subcommittee comprised of a subset of members appointed to the Board. A report and recommendations is due to the Governor and Legislature by December 1, 2023, and annually thereafter.

New Section 4 exempts the reports and information from the entities created in Sections 2 and 3 from public disclosure under the Public Records Act, chapter 42.56 RCW.

Section 5 amends RCW 43.21F.045 requires the Department of Commerce to prepare and update contingency plans “for securing energy infrastructure against all physical and cybersecurity threats.”

S SB 5518 imposes new obligations on WATech, the Military Department, and the Department of Commerce. There is no fiscal impact to the Lottery.

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: 5518 S SB	Title: Cybersecurity	Agency: 118-Commission on Hispanic Affairs
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Commission on Hispanic Affairs.

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: 5518 S SB	Title: Cybersecurity	Agency: 119-Commission on African-American Affairs
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Commission on African American Affairs.

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: 5518 S SB	Title: Cybersecurity	Agency: 120-Human Rights Commission
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Diann Lewallen	Phone: 360-407-8121	Date: 02/20/2023
Agency Approval: Diann Lewallen	Phone: 360-407-8121	Date: 02/20/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/21/2023

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.

Substitute Senate Bill 5518 creates a cybersecurity advisory committee as a subcommittee of the emergency management council and a technology services board security subcommittee within Consolidated Technology Services. The Human Rights Commission (HUM) would work with the new committee as needed but no direct costs to HUM are indicated in the bill.

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: 5518 S SB	Title: Cybersecurity	Agency: 124-Department of Retirement Systems
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Jay Walsh	Phone: 360-664-7266	Date: 02/17/2023
Agency Approval: Tracy Guerin	Phone: 360-664-7312	Date: 02/17/2023
OFM Review: Marcus Ehrlander	Phone: (360) 489-4327	Date: 02/20/2023

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 2(4) creates the cybersecurity advisory committee and is a subcommittee of the emergency management council.

Section 3 creates the technology services board security subcommittee within the technology services board.

Section 5 expands the Department of Commerce's authority regarding energy related activities to include preparing and updating contingency plans for securing energy infrastructure against all physical and cybersecurity threats.

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.

No Impact

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 Retirement Systems (DRS) had determined that the full implementation cost of Senate Bill 5518 to be indeterminate. The substitute bill removes all responsibility from the individual agencies and places them on WaTech, the Military Department, and the Department of Commerce. With these changes, DRS will incur no costs.

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: 5518 S SB	Title: Cybersecurity	Agency: 126-State Investment Board
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Celina Verme	Phone: (360) 956-4740	Date: 02/20/2023
Agency Approval: Allyson Tucker	Phone: 360-956-4710	Date: 02/20/2023
OFM Review: Marcus Ehrlander	Phone: (360) 489-4327	Date: 02/20/2023

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 substitute bill does not change the fiscal impact for the State investment Board (SIB).

The SIB does not foresee any fiscal impacts related to the proposed legislation.

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.

Department of Revenue Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 140-Department of Revenue
-------------------------------	-----------------------------	--

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated 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: Angela Kleis	Phone: 60-786-7469	Date: 02/15/2023
Agency Preparation: Melissa Howes	Phone: 60-534-1518	Date: 02/19/2023
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 02/19/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/20/2023

Request # 5518-2-1

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.

Note: This fiscal note reflects language in SSB 5518, 2023 Legislative Session.

This fiscal note only addresses those sections of the bill that impact the Department of Revenue (department).

COMPARISON OF THE SUBSTITUTE BILL WITH THE ORIGINAL:

- Changes the title of the bill.
- Removes all provisions of the underlying bill.
- Provides a new definition of ransomware.
- Establishes the Cybersecurity Advisory Committee (CAC) within the Emergency Management Council.
- Establishes the Technology Services Board (TSB) Security Subcommittee within the Consolidated Technology Services Agency (WaTech).
- Requires the Military Department, the CAC, WaTech, and the TSB Security Subcommittee to collaborate.
- Specifies the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state.
- Expands Commerce's authority regarding energy-related activities to include preparing and updating contingency plans for securing energy infrastructure against all physical and cybersecurity threats.
- Makes technical corrections.

CURRENT LAW:

There is no law that specifically addresses malware and ransomware protection.

PROPOSAL:

The CAC is established within the Emergency Management Council (which is established within the state Military Department) to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors. The CAC must bring together organizations with expertise and responsibility for cybersecurity and incident response. The CAC must meet quarterly.

With regards to critical infrastructure, the CAC must work with relevant federal agencies, institutions of higher education, industry experts, and technical specialists for specified purposes such as assessing critical infrastructure not covered by federal law to identify which sectors are at the greatest risk and examining the inconsistencies between state and federal law regarding cybersecurity.

The TSB Security Subcommittee is created within WaTech. Membership of the TSB is comprised of a subset of members appointed to the TSB. The chair may make additional appointments to ensure relevant technology sectors are represented. The TSB must meet quarterly. The specified powers and duties of the TSB include reviewing emergent cyberattacks and threats to critical infrastructure sectors to identify existing gaps in state agency cybersecurity policies and assessing emerging risks to state agency IT. When providing staff support, WaTech must work with certain entities representing technology and government sectors to ensure a holistic approach to cybersecurity in state government.

When fulfilling the duties specified in the bill, the Military Department, the CAC, WaTech, and the TSB must collaborate with each other. Once a year, the CAC and TSB must hold a joint meeting. By December 1, 2023, and each December 1st thereafter, the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report to the Governor and the appropriate committees of the Legislature specifying recommendations considered necessary to address cybersecurity in the state.

The Department of Commerce's authority regarding energy-related activities is expanded to include preparing and updating contingency plans for securing energy infrastructure against all physical and cybersecurity threats.

In order to discuss sensitive security topics and information, the CAC and TSB may hold a portion of its agendas in executive session closed to the public. The reports produced and information compiled by the CAC and TSB are confidential and may not be disclosed under the Public Record Act.

EFFECTIVE DATE:

The bill takes effect 90 days after final adjournment of the session.

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.

This legislation results in no revenue impact to taxes administered by the department.

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 will incur minimal cost for staff time to participate in and support the work of the new committees. This cost will be absorbed within current funding.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

III. B - Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. C - 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

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 142-Board of Tax Appeals
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Bret Skipworth	Phone: 3608906657	Date: 02/17/2023
Agency Approval: Bret Skipworth	Phone: 3608906657	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Per the assumptions provided by the lead agency, this bill will only impact WaTech, the Military Department, and the Department of Commerce. Therefore, no impact is anticipated for the Board of Tax Appeals.

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: 5518 S SB	Title: Cybersecurity	Agency: 147-Office of Minority and Women's Business Enterprises
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Office of Minority and Women's Business Enterprises.

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: 5518 S SB	Title: Cybersecurity	Agency: 148-Housing Finance Commission
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Fenice Taylor	Phone: 206-287-4432	Date: 02/17/2023
Agency Approval: Fenice Taylor	Phone: 206-287-4432	Date: 02/17/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/20/2023

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.

No Fiscal Impact: Because the Commission is a non-appropriated, non-allocated agency, all the costs associated with the contemplated legislation connected to the Commission will flow through the Commission's operating funds, therefore the Commission believes it has no fiscal impact on the state's budget.

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: 5518 S SB	Title: Cybersecurity	Agency: 160-Office of Insurance Commissioner
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Michael Walker	Phone: 360-725-7036	Date: 02/16/2023
Agency Approval: Michael Wood	Phone: 360-725-7007	Date: 02/16/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/20/2023

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 2(4)(a) creates the cybersecurity advisory committee. The purpose of the committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors.

Section 3 creates the technology services board security subcommittee. The subcommittee has powers and duties related to cybersecurity.

There are no required actions for the Office of Insurance Commissioner (OIC) to take. However, the OIC may be contacted to coordinate with the efforts of the committees to strengthening the state's cybersecurity. Any coordination efforts are anticipated to be minor in nature and will be absorbed through the normal course of OIC business.

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: 5518 S SB	Title: Cybersecurity	Agency: 163-Consolidated Technology Services
-------------------------------	-----------------------------	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Consolidated Technology Services	67,000	67,000	134,000	134,000	134,000
Revolving Account-State 458-1					
Total \$	67,000	67,000	134,000	134,000	134,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.5
Account					
Consolidated Technology Services	67,000	67,000	134,000	134,000	134,000
Revolving Account-State 458-1					
Total \$	67,000	67,000	134,000	134,000	134,000

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Nenita Ching	Phone: 360-407-8878	Date: 02/18/2023
Agency Approval: Tim Gallivan	Phone: (360) 407-8215	Date: 02/18/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/18/2023

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.

This bill was amended via a striking amendment which removed all previous requirements, and incorporated the provisions of SB 5619 into the bill. The effect of the changes in the substitute are:

- Changes the title.
- Removes all provisions of the underlying bill.
- Provides a definition for ransomware.
- Establishes the Cybersecurity Advisory Committee within the Emergency Management Council.
- Establishes the Technology Services Board (TSB) Security Subcommittee within WaTech.
- Requires the Military Department, the Cybersecurity Advisory Committee, the Consolidated Technology Services (WaTech), and the TSB Security Subcommittee to collaborate.
- Specifies the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state.
- Specifies the Department of Commerce also has the power and duty to prepare and update contingency plans for securing energy infrastructure against all physical and cybersecurity threats.
- Makes technical corrections.

The requirements to WaTech under this bill are the following:

Sec. 1 amends 43.105.020 to include a definition of “ransomware.”

Sec. 2 requires the cybersecurity advisory committee created out of the emergency management council to meet with the TSB cybersecurity subcommittee once a year.

Sec. 3 creates a new cybersecurity subcommittee of the TSB by adding a new section to 43.105.

Subsection 1 specifies membership of the TSB security subcommittee, and allows the chair to make additional appointments as necessary to ensure relevant sectors are represented.

Subsection 2 specifies the duties of the TSB security subcommittee, to include the following:

- (a) Review emergent cyberattacks and threats to critical infrastructure sectors in order to identify existing gaps in state agency cybersecurity policies;
- (b) Assess emerging risks to state agency information technology;
- (c) Recommend a reporting and information sharing system to notify state agencies of new risks, risk treatment opportunities, and projected shortfalls in response and recovery;
- (d) Recommend tabletop cybersecurity exercises, including data breach simulation exercises;
- (e) Assist the Office of Cybersecurity created in RCW 43.105.450 in developing cybersecurity best practice recommendations for state agencies;
- (f) Review the proposed policies and standards developed by the Office of Cybersecurity and recommend their approval to the full board;
- (g) Review information relating to cybersecurity incidents and ransomware incidents to determine commonalities and develop best practice recommendations for public agencies; and
- (h) Assist the agency and the Military Department in creating the state of cybersecurity report required in subsection (6) of this section.

Subsection 3 directs WaTech, as part of its staffing of the security subcommittee, to work with the National Institute of Standards and Technology (NIST) and other federal agencies, private sector business and cybersecurity experts to bring

their experience and guidance to the board for consideration.

Subsection 4 allows for a portion of the agenda to be conducted in executive session closed to the public.

Subsection 5 requires the subcommittee to meet at least quarterly, and at least annually meet with the cybersecurity advisory committee of the emergency management council created in Sec. 2.

Subsection 6 requires an annual report to the governor and appropriate committees of the legislature on December 1, 2023, and each December 1 thereafter, to be produced on the state of cybersecurity. The report is the joint responsibility of the Military Department and of WaTech. The TSB security subcommittee has the authority to identify as confidential and not subject to disclosure portions of the report deemed necessary to protect the security of public and private cyber systems.

Subsection 7 directs WaTech and the cybersecurity subcommittee to collaborate with the Military Department and the cybersecurity advisory committee of the emergency management council created above.

Subsection 8 notes that the reports produced and information are confidential and not subject to disclosure under RCW 42.56.

Sec. 4 adds the exemption to 42.56 for the reports required in this subsection.

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.

Office of Cybersecurity (OCS) is funded by an appropriation from the Consolidated Technology Services Revolving Account (458-1). Revenues for the OCS are collected from state agencies who receive allocations through the central services model. It is assumed that the allocations in the central services model will be adjusted by the Legislature to ensure WaTech revenues are sufficient to support the required expenditures.

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.

There is operational impact of this bill to properly staff the TSB committee that includes coordination with members including the Military Department before and after each committee meetings, development of agendas, assist presenters in the development of content for each of the agenda items, coordination and onboarding of new members, coordination and preparation of the chair, and development and update of the TSB committee website. This bill requires frequent coordination with the Military Department at all levels of the organization. Additionally, this bill would require the review of material for discussion by the board to determine confidentiality and disclosure exemptions and would require coordination with the WaTech records management unit.

One Management Analyst 3 working at 50% is required to adequately staff the TSB security steering committee per the operational impacts stated above. The annual costs are estimated to be \$67,000 (\$59,000 salary and benefits, \$1,000 for goods and services, training, and travel, and \$7,000 for overhead and shared services).

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
458-1	Consolidated Technology Services Revolving Account	State	67,000	67,000	134,000	134,000	134,000
Total \$			67,000	67,000	134,000	134,000	134,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.5
A-Salaries and Wages	37,000	37,000	74,000	74,000	74,000
B-Employee Benefits	22,000	22,000	44,000	44,000	44,000
C-Professional Service Contracts					
E-Goods and Other Services	1,000	1,000	2,000	2,000	2,000
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	7,000	7,000	14,000	14,000	14,000
9-					
Total \$	67,000	67,000	134,000	134,000	134,000

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
Management Analyst 3	73,260	0.5	0.5	0.5	0.5	0.5
Total FTEs		0.5	0.5	0.5	0.5	0.5

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: 5518 S SB	Title: Cybersecurity	Agency: 165-Board of Accountancy
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Board of Accountancy.

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: 5518 S SB	Title: Cybersecurity	Agency: 166-Board of Registration for Professional Engineers & Land Surveyors
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: (360) 407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: (360) 407-8129	Date: 02/16/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/16/2023

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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Board of Registration for Professional Engineers and Land Surveyors.

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: 5518 S SB	Title: Cybersecurity	Agency: 167-Forensic Investigations Council
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Bret Skipworth	Phone: 3608906657	Date: 02/17/2023
Agency Approval: Bret Skipworth	Phone: 3608906657	Date: 02/17/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	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.

Per the assumptions provided by the lead agency, this bill will only impact WaTech, the Military Department, and the Department of Commerce. Therefore, no impact is anticipated for the Forensic Investigations Council.

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: 5518 S SB	Title: Cybersecurity	Agency: 179-Department of Enterprise Services
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Ivy Huynh	Phone: (360) 407-8763	Date: 02/20/2023
Agency Approval: Ashley Howard	Phone: (360) 407-8159	Date: 02/20/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/20/2023

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 43.105.020 adding definitions for "Ransomware".

Section 2 (4a-b) amends RCW 38.52.040 adding the creation of the cybersecurity advisory committee, a subcommittee of the emergency management council. It also states that the purpose of the cybersecurity advisory committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors. It requires the cybersecurity advisory committee bring together organizations with expertise and responsibility for cybersecurity and incident response with the goal of providing recommendations on building and sustaining the state's capability to identify and mitigate cybersecurity risk, respond to, and recover from cybersecurity related incidents, including but not limited to ransomware incidents.

Section 3 is a new section added to RCW 43.105 that creates the technology services board security subcommittee. Subsection 2(a-h) of this section lists its powers and duties that include:

- Review emergent cyberattacks and threats to critical infrastructure sectors;
- Assess emerging risks;
- Recommend a reporting and information sharing system to notify state agencies of new risks, risk treatment opportunities and projected shortfalls;
- Recommend tabletop cybersecurity exercises, including data breach simulations;
- Assist the office of cybersecurity created in RCW 43.105.450 in developing cybersecurity best practice recommendations;
- Review information related to cybersecurity incidents and ransomware incidents to determine commonalities and develop best practice recommendations;
- Assist the Consolidated Technology Services (WaTech) and Military Department in create the state of cybersecurity report required in subsection (6).

Section 3(6) requires the Military Department and WaTech to provide a state of cybersecurity report to the governor and the appropriate committees of the legislature by December 1, 2023, and each December 1st thereafter. The report should be consistent with RCW 43.01.036 specifying recommendations considered necessary to address cybersecurity in the state. The technology services board security subcommittee may identify as confidential, and not subject to public disclosure, those portions of the report as the technology services board security subcommittee deems necessary to protect the security of public and private cyber systems.

Section 5(2)(a) amends RCW 43.21F.045 to require the State Energy Office (SEO) to prepare and update contingency plans for security energy infrastructure against all physical and cybersecurity threats, and implementation in the event of energy shortages or emergencies.

The Department of Enterprise Services (DES) will follow advice and recommendations from the cybersecurity advisory committee, the technology services board security subcommittee, Office of Cybersecurity and WaTech as part of the routine business practice. Therefore, this has no fiscal impact to DES.

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: 5518 S SB	Title: Cybersecurity	Agency: 185-Horse Racing Commission
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Seth Flory	Phone: (360) 407-8165	Date: 02/20/2023
Agency Approval: Seth Flory	Phone: (360) 407-8165	Date: 02/20/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/20/2023

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.

Per assumptions released by the lead agency, Substitute Senate Bill 5518 relating to cybersecurity will only directly impact WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the WA Horse Racing Commission (WHRC).

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: 5518 S SB	Title: Cybersecurity	Agency: 195-Liquor and Cannabis Board
-------------------------------	-----------------------------	--

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	1.0	1.0	1.0	1.0	1.0
Account					
Liquor Revolving Account-State 501-1	143,965	137,860	281,825	275,720	275,720
Total \$	143,965	137,860	281,825	275,720	275,720

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Colin O Neill	Phone: (360) 664-4552	Date: 02/17/2023
Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/21/2023

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(21) Provides a definition for ransomware.
- Section 2(4a) Establishes the Cybersecurity Advisory Committee within the Emergency Management Council.
- Section 2(4b) Requires the Cybersecurity Advisory Committee to bring together organizations with expertise and responsibility for cybersecurity and incident response among local government, tribes, state agencies, institutions of higher education, the technology sector, and first responders with the goal of providing recommendations on building and sustaining the state's capability to identify and mitigate cybersecurity risk and to respond to and recover from cybersecurity-related incidents, including but not limited to ransomware incidents. With respect to critical infrastructure, the cybersecurity advisory committee shall work with relevant federal agencies, state agencies, institutions of higher education as defined in chapter 28B.92 RCW, industry experts, and technical specialists to:
 - (i) Identify which local, tribal, and industry infrastructure sectors are at the greatest risk of cyberattacks and need the most enhanced cybersecurity measures;
 - (ii) Use federal guidance to analyze categories of critical infrastructure in the state that could reasonably result in catastrophic consequences if unauthorized cyber access to the infrastructure occurred;
 - (iii) Recommend cyber incident response exercises that relate to risk and risk mitigation in the water, transportation, communications, health care, elections, agriculture, energy, and higher education sectors in consultation with appropriate state agencies including, but not limited to, the energy resilience and emergency management office at the department of commerce and the secretary of state's office.
- Section 3(1) Establishes the TSB Security Subcommittee within WaTech.
- Section 3(6) Specifies the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state.
- Section 3(7) Requires the Military Department, the Cybersecurity Advisory Committee, WaTech, and the TSB Security Subcommittee to collaborate.
- Section 5(2a) Specifies the Department of Commerce also has the power and duty to prepare and update contingency plans for securing energy infrastructure against all physical and cybersecurity threats.

CHANGES MADE BY THE SUBSTITUTE:

- Changes the title.
- Removes all provisions of the underlying bill.

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.

INFORMATION TECHNOLOGY DIVISION:

The focus of the bill remains on enhancing over-all security posture for WA state by creating a focus group, Cybersecurity Advisory Committee, and bolstering/formalizing response planning, monitoring and reporting. If the bill passes, it will result in additional efforts to be in compliance, to report data to the Technology Services Board, table top exercises etc. The agency

is currently required to report tabletop exercises (something the agency hasn't been doing but has one planned - the agency has had a waiver). With the growing Cybersecurity needs that may ultimately come from this bill, a Journey Security Analyst would be needed.

1.0 FTE IT Security - Journey - \$137,860/yr (\$135,090 salary/benefits, \$2,770 in associated costs). Onetime costs in FY24 of \$6,105 for equipment purchases.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
501-1	Liquor Revolving Account	State	143,965	137,860	281,825	275,720	275,720
Total \$			143,965	137,860	281,825	275,720	275,720

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	102,540	102,540	205,080	205,080	205,080
B-Employee Benefits	32,550	32,550	65,100	65,100	65,100
C-Professional Service Contracts					
E-Goods and Other Services	2,735	2,630	5,365	5,260	5,260
G-Travel					
J-Capital Outlays	6,140	140	6,280	280	280
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	143,965	137,860	281,825	275,720	275,720

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
IT Security - Journey	102,540	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.0	1.0	1.0	1.0	1.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Information Technology Division (070)	143,965	137,860	281,825	275,720	275,720
Total \$	143,965	137,860	281,825	275,720	275,720

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: 5518 S SB	Title: Cybersecurity	Agency: 205-Board of Pilotage Commissioners
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Bret Skipworth	Phone: 3608906657	Date: 02/17/2023
Agency Approval: Bret Skipworth	Phone: 3608906657	Date: 02/17/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	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.

Per the assumptions provided by the lead agency, this bill will only impact WaTech, the Military Department, and the Department of Commerce. Therefore, no impact is anticipated for the Board of Pilotage Commissioners.

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: 5518 S SB	Title: Cybersecurity	Agency: 215-Utilities and Transportation Commission
-------------------------------	-----------------------------	--

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	0.1	0.1	0.1	0.1	0.1
Account					
Public Service Revolving Account-State 111-1	18,170	18,170	36,340	36,340	36,340
Total \$	18,170	18,170	36,340	36,340	36,340

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Kim Anderson	Phone: 360-664-1153	Date: 02/17/2023
Agency Approval: Kim Anderson	Phone: 360-664-1153	Date: 02/17/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	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.

Section 2 establishes the Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council at WMD/EMD. The UTC has a primary responsibility under the Governor's Comprehensive Emergency Management Plan (CEMP), Cyber Adjunct, for Essential Service Function (ESF) 2-Telecommunications and collaborates with WMD on actions and response to cybersecurity infrastructure protection.

Section 3 creates the Technology Services Board Security Subcommittee within the Technology Services Board. Chair Danner currently serves on the TSB board. The Chair, or his delegate will likely serve on the newly created subcommittee.

Section 5 expands the Department of Commerce's authority regarding energy related activities to include preparing and updating contingency plans for securing energy infrastructure against all physical and cybersecurity threats. The UTC is responsible for regulated energy company reliability and outage reporting requirements and will need to consult and collaborate with the Department of Commerce.

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.

No cash receipt impact.

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.

Cybersecurity Advisory Committee and Cybersecurity Subcommittee related workload for the UTC: 4 days/year for quarterly meetings on EMC/Cyber Advisory Committee, 4 days/year for quarterly meeting-TSB/Security subcommittee created and meets quarterly, 40 Staff hours annually for Annual Collaboration and Joint Report. 40 Staff hours annually for contingency planning for utilities in coordination with other agencies (Commerce authority expanded), 40 Staff hours annually for assessments of critical infrastructure with EMD on joint assessments and compliance reporting. Chair Danner 4 days/year on Technology Services Board, new security committee.

Advisory Committee and Cybersecurity Subcommittee will include \$18,170 each fiscal year starting in FY2024. (Commissioner, 0.02; Policy Advisor, 0.09)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
111-1	Public Service Revolving Account	State	18,170	18,170	36,340	36,340	36,340
Total \$			18,170	18,170	36,340	36,340	36,340

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.1	0.1
A-Salaries and Wages	12,361	12,361	24,722	24,722	24,722
B-Employee Benefits	4,326	4,326	8,652	8,652	8,652
C-Professional Service Contracts					
E-Goods and Other Services	1,483	1,483	2,966	2,966	2,966
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-					
Total \$	18,170	18,170	36,340	36,340	36,340

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
Commissioner	168,012	0.0	0.0	0.0	0.0	0.0
Policy Advisor	100,008	0.1	0.1	0.1	0.1	0.1
Total FTEs		0.1	0.1	0.1	0.1	0.1

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.

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 225-Washington State Patrol
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Michael Middleton	Phone: (360) 596-4072	Date: 02/17/2023
Agency Approval: Shawn Eckhart	Phone: 360-596-4083	Date: 02/17/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	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.

The substitute version of the proposed legislation significantly alters our original assumptions resulting in no fiscal impact to the Washington State Patrol (WSP).

The substitute bill removes language within the original bill that focused state agencies on conducting system inventorying for possible threats from ransomware or malicious cyber activities, collating inventory data, and submitting reports. The substitute bill shifts the emphasis of effort to Washington Technology Solutions (WaTech), the Washington Military Department, and the Washington Department of Commerce.

Section 2 is amended to establish the Cybersecurity Advisory Committee (CAC) within the Emergency Management Council. The CAC is required to hold an annual meeting with the Technology Services Board (TSB) Security Subcommittee.

New Section 3 creates the TSB Security Subcommittee within the CAC and requires the subcommittee to hold quarterly meetings. The section further requires the Military Department, the CAC, WaTech, and the TSB Security Subcommittee to collaborate in fulfilling the prescribed duties of the section.

New Section 3 also makes the Military Department and WaTech jointly responsible for an annual state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state. The first report is due by December 1, 2023, then every December 1 thereafter.

Section 5 is amended to include amongst the Department of Commerce's duties the preparing and updating of contingency plans for securing energy infrastructure against all physical and cybersecurity threats.

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.

None

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 language of the substitute bill results in no fiscal impact to us. The only specific reference to activities on the part of the WSP is our previously established membership on the Emergency Management Council (Section 2).

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: 5518 S SB	Title: Cybersecurity	Agency: 228-Traffic Safety Commission
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Mark McKechnie	Phone: 3607259889	Date: 02/17/2023
Agency Approval: Mark McKechnie	Phone: 3607259889	Date: 02/17/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	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.

WTSC reports no fiscal impact.

SSB 5518 Lead Agency Assumptions

The previous provisions in this bill were stricken in committee and the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce.

A summary of changes include:

- Changes bill title.
- Strikes all provisions of the underlying bill.
- Provides a definition for ransomware.
- Establishes the Cybersecurity Advisory Committee within the Emergency Management Council.
- Establishes the TSB Security Subcommittee within WaTech.
- Requires the Military Department, the Cybersecurity Advisory Committee, WaTech, and the TSB Security Subcommittee to collaborate.
- Specifies the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state.
- Specifies the Department of Commerce also has the power and duty to prepare and update contingency plans for securing energy infrastructure against all physical and cybersecurity threats.

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.

No impact

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.

No impact

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

No impact

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: 5518 S SB	Title: Cybersecurity	Agency: 229-Office of Independent Investigations
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/17/2023
Agency Approval: Jamie Langford	Phone: (360) 902-0422	Date: 02/17/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/18/2023

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 substitute bill had the following difference:

The prescriptive requirements for immutable data backups and reporting on managed data have been removed.

The substitute in Sec. 2 (4) (a) creates a Cybersecurity Advisory Committee as s a subcommittee of the Emergency Management Council.

Sec 3 creates the Technology Services Board Security Subcommittee within the Technology Services Board.

The OII fiscal impact submitted for SB 5518 was based on the requirement for immutable data backups, because the requirement has been removed there is no fiscal impact for the substitute.

Original fiscal note language:

Sec 3 (1) Expands WaTech's statutory mandate to include the adoption of enterprise technology standards specific to malware and ransomware protection, backup, and recovery as well as prevention education.

Sec 3 (3) requires agencies to have immutable backups for all mission critical applications, business essential applications, and other resources containing category 3 or category 4 data.

Sec 3 (4) requires agencies to report the following to the office of the state chief information officer by September 30, 2023, and biannually thereafter.

(a) The total size of managed data

(b) A list of mission critical applications and business essential applications

(c) A list of the applications described in (b) that do not have immutable backup

(d) A list of prioritized applications based on mission criticality and impact to constituents in the event of system failure or data loss

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: 5518 S SB	Title: Cybersecurity	Agency: 235-Department of Labor and Industries
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Bobby Kendall	Phone: 902-6980	Date: 02/20/2023
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 02/20/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/20/2023

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.

This bill establishes a Cybersecurity Advisory Committee within the Emergency Management Council to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors. Additionally, the technology services board security subcommittee is created and is tasked with, but not limited to, reviewing emergent cyberattacks, assessing risks to state agencies, conducting security exercises, and developing and information sharing strategy between agencies.

SSB 5518 is different from SB 5518 in that it:

- SSB 5518 amended the majority of original bill and removed all IT system security auditing and reporting requirements for state agencies and instead creates new committees to review emergent cyberattacks, assess risks to state agencies, conduct security exercises, and develop an information sharing strategy between agencies.

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.

None.

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 proposed bill does not have fiscal impact for the Department of Labor and Industries. The implementation of the measures in the bill will fall on the newly created Cybersecurity Advisory Committee and Technology Services Board Security subcommittee.

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: 5518 S SB	Title: Cybersecurity	Agency: 240-Department of Licensing
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Kim Buechel	Phone: 360-902-3639	Date: 02/16/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 02/16/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/16/2023

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.

There is no fiscal impact to DOL. The substitute bill removes the requirement that agencies submit a report, therefore there is no impact to DOL.

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

Agency 240 – Department of Licensing

Bill Number: 5518 SSB

Bill Title: Protection of critical constituent and state operational data

Part 1: Estimates

No Fiscal Impact

Estimated Cash Receipts:

None

Estimated Expenditures:

None

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: Angela Kleis	Phone: (360) 786-7469	Date: 2/16/2023
Agency Preparation: Kim Buechel	Phone: (360) 902-3639	Date: 2/16/2023
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date: 2/16/2023

Request #	1
Bill #	5518 SSB

Part 2 – Explanation

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

SB 5518 would amend and add new sections to RCW 43.105 that relates to the protection of critical constituent and state operational data against the financial and personal harm caused by ransomware and other malicious cyber activities. There is no fiscal impact to DOL. The agency already has the immutable backup required and the reporting can be managed during normal work time.

This substitute bill removes the requirement that agencies submit a report, therefore there continues to be no fiscal impact to DOL.

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 245-Military Department
-------------------------------	-----------------------------	--

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	1.0	1.0	1.0	1.0	1.0
Account					
General Fund-State 001-1	136,686	131,686	268,372	263,372	263,372
Total \$	136,686	131,686	268,372	263,372	263,372

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Serina Roberts	Phone: 2535127388	Date: 02/21/2023
Agency Approval: Timothy Rajcevich	Phone: 2535127596	Date: 02/21/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/21/2023

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.

This bill will require the Military Department to establish a cybersecurity advisory committee of the emergency management council with the following tasks:

4(a) The purpose of the cybersecurity advisory committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors.

4(b) The cybersecurity advisory committee shall bring together organizations with expertise and responsibility for cybersecurity and incident response among local government, tribes, state agencies, institutions of higher education, the technology sector, and first responders with the goal of providing recommendations on building and sustaining the state's capability to identify and mitigate cybersecurity risk and to respond to and recover from cybersecurity related incidents, including but not limited to ransomware incidents. With respect to critical infrastructure, the cybersecurity advisory committee shall work with relevant federal agencies, state agencies, institutions of higher education as defined in chapter 28B.92 RCW, industry experts, and technical specialists to:

- (i) Identify which local, tribal, and industry infrastructure sectors are at the greatest risk of cyberattacks and need the most enhanced cybersecurity measures;
- (ii) Use federal guidance to analyze categories of critical infrastructure in the state that could reasonably result in catastrophic consequences if unauthorized cyber access to the infrastructure occurred;
- (iii) Recommend cyber incident response exercises that relate to risk and risk mitigation in the water, transportation, communications, health care, elections, agriculture, energy, and higher education sectors in consultation with appropriate state agencies including, but not limited to, the energy resilience and emergency management office at the department of commerce and the secretary of state's office; and
- (iv) Examine the inconsistencies between state and federal law regarding cybersecurity.

4(c) In fulfilling its duties under this section, the military department and the cybersecurity advisory committee shall collaborate with the consolidated technology services agency and the technology services board security subcommittee created in section 3 of this act.

4(d) In order to protect sensitive security topics and information, the cybersecurity advisory committee must follow 6 C.F.R. Part 29, as it existed on the effective date of this section, procedures for handling critical infrastructure information. The reports produced, and information compiled, pursuant to this subsection are confidential and may not be disclosed under chapter 42.56 RCW.

4(e) The cybersecurity advisory committee must contribute, as appropriate, to the emergency management council annual report and must meet quarterly. The cybersecurity advisory committee shall hold a joint meeting once a year with the technology services board security subcommittee created in section 3 of this act.

All of the above require dedicated staff time to manage and conduct. Most of the above require expert-level knowledge of technology issues, systems interdependencies, legal statutes, and homeland security practices.

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.

The expenditures would fund staff time and effort to meet the intent of the bill prescribed in Section 4 (a)-(e).

Salaries and Benefits Per Fiscal Year: \$122,686

1 full-time position (EMPS-3 salary and benefits)

Goods and Services Per Fiscal Year: \$5,000

Coordination and management of Cybersecurity Advisory Committee

Travel Costs Per Fiscal Year: \$4,000

Travel to discuss sensitive issues, threats, and vulnerabilities with stakeholders

Capital Outlays for Fiscal Year 24: \$5,000

Purchase of personnel computer/equipment

FY24 Total: \$136,686

Ongoing Total: \$131,686 per fiscal year

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	136,686	131,686	268,372	263,372	263,372
Total \$			136,686	131,686	268,372	263,372	263,372

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	82,896	82,896	165,792	165,792	165,792
B-Employee Benefits	39,790	39,790	79,580	79,580	79,580
C-Professional Service Contracts					
E-Goods and Other Services	5,000	5,000	10,000	10,000	10,000
G-Travel	4,000	4,000	8,000	8,000	8,000
J-Capital Outlays	5,000		5,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	136,686	131,686	268,372	263,372	263,372

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
Emergency Management Program Specialist 3	82,896	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.0	1.0	1.0	1.0	1.0

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.

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 275-Public Employment Relations Commission
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Dario de la Rosa	Phone: 360-570-7328	Date: 02/16/2023
Agency Approval: Dario de la Rosa	Phone: 360-570-7328	Date: 02/16/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/16/2023

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.

SSB 5518 creates the Cybersecurity Advisory Committee. The Cybersecurity Advisory Committee is a subcommittee of the Emergency Management Council. The purpose of the Cybersecurity Advisory Committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors. The Public Employment Relations Commission does not anticipate any additional cost associated with the reporting requirement set forth in SSB 5518.

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: 5518 S SB	Title: Cybersecurity	Agency: 300-Department of Social and Health Services
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Teresa Elliott	Phone: 360-902-8177	Date: 02/19/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/19/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/20/2023

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.

This bill would create a Cybersecurity Advisory Committee as a subcommittee of the state Emergency Management Council to provide advice and recommendations to strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors.

The bill would also create a Security Subcommittee of the Technology Services Board. This subcommittee is meant to assess risks, threats, and aspects of the current state of state agency cybersecurity and make recommendations for state cybersecurity improvement. It would also exempt potentially harmful sensitive cybersecurity information from public disclosure.

Difference from the previous version of the bill - The original SB 5518 required that each state agency review all of its mission critical applications, business essential applications, and other resources containing category three or four data, as described in the enterprise technology standards developed pursuant to RCW 43.105.054, and report to the office.

This bill will have minimal fiscal impact to the Department of Social and Health Services (DSHS). DSHS can absorb this fiscal impact within existing resources. Therefore, there is no fiscal impact to DSHS.

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: 5518 S SB	Title: Cybersecurity	Agency: 303-Department of Health
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Damian Howard	Phone: 3602363000	Date: 02/17/2023
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 02/17/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/21/2023

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 previous provisions in this bill were stricken in committee and the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. There is no longer direct agency IT impact from this bill.

DOH CTS/WATech and ORHS Participation in Sub 5518 directed RCW 38.52 “cybersecurity advisory committee” and RCW 43.105 “technology services board security subcommittee” are essentially regular business activities for DOH. The bill does not have a specific action or mandate for the agency and our participation would be as subject matter experts informing the work as part of our regular staffing model.

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.

None

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.

None

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

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: 5518 S SB	Title: Cybersecurity	Agency: 305-Department of Veterans Affairs
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Chony Culley	Phone: 3604808127	Date: 02/17/2023
Agency Approval: Yacob Zekarias	Phone: 253-545-1942	Date: 02/17/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/21/2023

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 substitute bill has no fiscal impact to WDVA.

The changes from the previous version are substantial; whereas the original bill levied significant compliance and reporting requirements regarding ransomware/malware, the substitute bill focuses on establishing committees to inform and develop disaster and emergency response with an emphasis on cyber security. All former Sections that generated fiscal impact to WDVA have been completely rewritten or eliminated.

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: 5518 S SB	Title: Cybersecurity	Agency: 307-Department of Children, Youth, and Families
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Chris Conn	Phone: 360 725-4441	Date: 02/17/2023
Agency Approval: Rene Newkirk	Phone: 360-725-4393	Date: 02/17/2023
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 02/21/2023

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.

Details the process for protection of critical constituent and state operational data against the financial and personal harm caused by ransomware and other malicious cyber activities. Defines requirements for the protection of the data and responsibilities for training and reporting breaches, or attempted breaches, of systems.

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.

None.

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.

No fiscal impact. DCYF IT has immutable backups already enabled on cloud data backups and will have no impact on internal operations.

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

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: 5518 S SB	Title: Cybersecurity	Agency: 315-Department of Services for the Blind
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Lorie Christoferson	Phone: (360) 725-3840	Date: 02/16/2023
Agency Approval: Lorie Christoferson	Phone: (360) 725-3840	Date: 02/16/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/16/2023

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.

This bill creates the cybersecurity advisory committee which is to be a subcommittee of the emergency management council. The purpose of the cybersecurity advisory committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors across all critical infrastructure sectors. No impact to DSB

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: 5518 S SB	Title: Cybersecurity	Agency: 340-Student Achievement Council
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Brian Richardson	Phone: 360-485-1124	Date: 02/15/2023
Agency Approval: Brian Richardson	Phone: 360-485-1124	Date: 02/15/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/20/2023

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.

This substitute bill differs significantly from the original bill, and it no longer requires state agencies to assess and ensure that all mission critical applications, business essential applications, and other resources containing category 3 or category 4 data have immutable backup.

This bill now establishes the Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council; creates the Technology Services Board Security Subcommittee within the Technology Services Board; and expands the Department of Commerce's authority regarding energy related activities to include preparing and updating contingency plans for securing energy infrastructure against threats.

This bill creates no new work for WSAC and 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: 5518 S SB	Title: Cybersecurity	Agency: 341-Law Enforcement Officer and Fire Fighters' Plan 2 Retirement Board
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Seth Flory	Phone: (360) 407-8165	Date: 02/20/2023
Agency Approval: Seth Flory	Phone: (360) 407-8165	Date: 02/20/2023
OFM Review: Marcus Ehrlander	Phone: (360) 489-4327	Date: 02/20/2023

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.

Per assumptions released by the lead agency, Substitute Senate Bill 5518 relating to cybersecurity will only directly impact WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF).

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: 5518 S SB	Title: Cybersecurity	Agency: 351-State School For The Blind
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Mary Sarate	Phone: (360) 696-6321	Date: 02/16/2023
Agency Approval: Mary Sarate	Phone: (360) 696-6321	Date: 02/16/2023
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 02/16/2023

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.

5518 S SB (companion bill *1464) relates to cybersecurity. There is 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: 5518 S SB	Title: Cybersecurity	Agency: 353-Washington State Center for Childhood Deafness and Hearing Loss
-------------------------------	-----------------------------	--

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
Account					
General Fund-State 001-1	30,000	10,000	40,000	20,000	20,000
Total \$	30,000	10,000	40,000	20,000	20,000

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: April Burns	Phone: 360-418-4326	Date: 02/17/2023
Agency Approval: April Burns	Phone: 360-418-4326	Date: 02/17/2023
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 02/20/2023

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.

CDHY is currently contracted and implementing dual factor authentication for all staff. The agency has had repeated attacks on the system and we are working with a vendor to reduce and try to eliminate the risk. The contract with the vendor initially is \$30k for the first fiscal year and will be approximately \$10k in each of the subsequent years, as the agency is anticipating an increase in costs to work with the various state systems.

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

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	30,000	10,000	40,000	20,000	20,000
Total \$			30,000	10,000	40,000	20,000	20,000

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					
G-Travel					
J-Capital Outlays	30,000	10,000	40,000	20,000	20,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	30,000	10,000	40,000	20,000	20,000

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: 5518 S SB	Title: Cybersecurity	Agency: 354-Workforce Training and Education Coordinating Board
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Dave Pavelchek	Phone: 360-709-4630	Date: 02/17/2023
Agency Approval: Nova Gattman	Phone: 360-709-4612	Date: 02/17/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/20/2023

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.

No fiscal impact. The previous provisions in this bill regarding immutable backups for all state agencies were removed in committee. The current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce.

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: 5518 S SB	Title: Cybersecurity	Agency: 355-Department of Archaeology and Historic Preservation
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Diann Lewallen	Phone: 360-407-8121	Date: 02/17/2023
Agency Approval: Diann Lewallen	Phone: 360-407-8121	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

Substitute Senate Bill 5518 creates a cybersecurity advisory committee as a subcommittee of the emergency management council and a technology services board security subcommittee within Consolidated Technology Services. The Department of Archaeology and Historic Preservation (DAHP) would work with the new committee as needed but no direct costs to DAHP are indicated in the bill.

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: 5518 S SB	Title: Cybersecurity	Agency: 360-University of Washington
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Charlotte Shannon	Phone: 2066858868	Date: 02/20/2023
Agency Approval: Charlotte Shannon	Phone: 2066858868	Date: 02/20/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/20/2023

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.

In comparison to the underlying bill, SSB 5518 makes significant changes, including:

- Changes the title.
- Removes all provisions of the underlying bill.
- Provides a definition for ransomware.
- Establishes the Cybersecurity Advisory Committee within the Emergency Management Council.
- Establishes the TSB Security Subcommittee within WaTech.
- Requires the Military Department, the Cybersecurity Advisory Committee, WaTech, and the TSB Security Subcommittee to collaborate.
- Specifies the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state.
- Expands Commerce's authority regarding energy-related activities to include preparing and updating contingency plans for securing energy infrastructure against all physical and cybersecurity threats.
- Makes technical corrections.

While the substitute bill has changed significantly, and representatives from the University of Washington (UW) may be selected to participate on committees, or consult on specific issues, as representatives of institutions of higher education, the UW is not specifically called out in this bill. For the purposes of this fiscal note, the UW still assumes no fiscal impacts.

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: 5518 S SB	Title: Cybersecurity	Agency: 365-Washington State University
-------------------------------	-----------------------------	--

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	0.0	0.0	0.0	0.0	0.0
Account					
General Fund-State 001-1	7,967	7,967	15,934	0	0
Total \$	7,967	7,967	15,934	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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Emily Green	Phone: 5093359681	Date: 02/20/2023
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 02/20/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/21/2023

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 2 (4) (a)-(b) of S SB 5518 creates a cybersecurity advisory committee and is a subcommittee of the emergency management council. The composition of this committee shall include representatives from institutions of higher education with the goal of providing recommendations on building and sustaining the state's capability to identify and mitigate cybersecurity risk.

Section 3 of this bill creates the technology services board security subcommittee.

Section 4 of this bill states that reports and information provided by this committee are designated as confidential.

Section 5 (3) of this bill states that to the extent the powers and duties set out under this section relate to energy education, applied research, and technology transfer programs they are transferred to Washington State University.

This bill would impact WSU.

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.

This bill would require effort from WSU's Chief Information and Security Officer (CISO) (0.02 FTE/\$205,000 Salary/\$1,400 Benefits). For purposes of this fiscal note WSU estimates that this effort would be 40 total hours/year (80 per biennium). This figure includes 6 hours for quarterly meetings (4 meetings @ 90 minutes each); 3 hours for an annual joint meeting; and 25 hours for interim work. This figure is scalable.

WSU assumes that virtual/hybrid meetings would be standard practice. However, if in-person meetings are required, WSU estimates that travel expenses would be \$2,625/year (\$5,250 per biennium). This estimate includes lodging (\$176/night), per diem (\$158/day), and personal mileage rates (\$191). This figure is scalable.

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	7,967	7,967	15,934	0	0
Total \$			7,967	7,967	15,934	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.0	0.0		
A-Salaries and Wages	3,942	3,942	7,884		
B-Employee Benefits	1,400	1,400	2,800		
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel	2,625	2,625	5,250		
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 \$	7,967	7,967	15,934	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
Assistant Vice President (CISO)	205,000	0.0	0.0	0.0		
Total FTEs		0.0	0.0	0.0		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.

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 370-Eastern Washington University
-------------------------------	-----------------------------	--

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	0.1	0.1	0.1	0.1	0.1
Account					
General Fund-State 001-1	13,000	13,000	26,000	26,000	26,000
Total \$	13,000	13,000	26,000	26,000	26,000

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Keith Tyler	Phone: 509 359-2480	Date: 02/20/2023
Agency Approval: Alexandra Rosebrook	Phone: (509) 359-7364	Date: 02/20/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/21/2023

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.

SSB 5518 amends RCW 43.21F.045, reenacts and amends RCW 43.105.020 and 38.52.040, and adds new sections to chapters 43.105 and 42.56 RCW seeking to protect critical constituent and state operational data against ransomware and other malicious cyber activities.

- Section 2 amends RCW 38.52.040 is reenacted and amended to create the cybersecurity advisory committee as a subcommittee of the emergency management council to provide advice and recommendations that strengthen cybersecurity in industry, public, and critical infrastructure sectors.
- New section 3 added to chapter 43.105 RCW creates the technology services board security subcommittee to review and assess emergent cyberattacks and threats to critical infrastructures and make recommendations for cybersecurity best practices and training exercises
- Section 5 amends RCW 43.21F.045 to require the department to supervise and administer energy-related activities and advise the governor and legislature with respect to energy matters affecting the state.

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.

SSB 5518 amends RCW 43.21F.045, reenacts and amends RCW 43.105.020 and 38.52.040, and adds new sections to chapters 43.105 and 42.56 RCW seeking to protect critical constituent and state operational data against ransomware and other malicious cyber activities. Creation of the technology services board security subcommittee under section 3 would drive cost to staff the subcommittee with an expert representative. Dependent on the requirements of the subcommittee meeting schedule and travel requirements, EWU anticipates that this bill would require a .1FTE IT professional to staff, assuming a \$100,000 salary and 30% benefit rate.

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	13,000	13,000	26,000	26,000	26,000
Total \$			13,000	13,000	26,000	26,000	26,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.1	0.1
A-Salaries and Wages	10,000	10,000	20,000	20,000	20,000
B-Employee Benefits	3,000	3,000	6,000	6,000	6,000
C-Professional Service Contracts					
E-Goods and Other Services					
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-					
Total \$	13,000	13,000	26,000	26,000	26,000

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
IT professional	100,000	0.1	0.1	0.1	0.1	0.1
Total FTEs		0.1	0.1	0.1	0.1	0.1

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.

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 375-Central Washington University
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Erin Sargent	Phone: 509-963-2395	Date: 02/20/2023
Agency Approval: Lisa Plesha	Phone: (509) 963-1233	Date: 02/20/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/21/2023

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.

Per the lead agency assumptions for S SB 5518, "The previous provisions in this bill were stricken in committee and the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce." Central Washington University maintains that this bill will have 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: 5518 S SB	Title: Cybersecurity	Agency: 376-The Evergreen State College
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Daniel Ralph	Phone: 360-867-6500	Date: 02/16/2023
Agency Approval: Dane Apalategui	Phone: 360-867-6517	Date: 02/16/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/20/2023

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.

SSB 5518 relates to cybersecurity (this is a revision from the original bill, which was focused on ransomware protection.)

The original section 1, laying out the rationale for the action, is stricken in its entirety. The previous section 2 is now section 1. In the new section 1, the definitions of “immutable,” “information protection” and “malicious cyber activities” are stricken.

Section 1 (21) revises the definition of “ransomware.”

Section 2 creates the emergency management council, which does not include representatives from the four-year public schools.

Section 2 (5) creates the intrastate mutual aid committee.

Section 2 (6) states that for emergencies related to higher education, the council will consult with a representatives association for the four-year schools.

Section 3 creates the technology services board security subcommittee.

The original version of 5518 exempted High Ed from the agency requirements in the bill. This bill strikes that exemption but does not impose any new requirements that would apply to the Evergreen State College or the Washington State Institute for Public Policy. There will be no fiscal impact from SSB 5518.

SB 5518 relates to the protection of state managed data from ransomware attacks.

Section 2 (8) defines “immutable” as providing state agencies with recovery capabilities. An immutable information protection solution must not permit the editing or removing of any protected information.

Section 2 (10) defines “information protection” as including backups and other methods to allow the preservation and recovery of information.

Section 2 (16) defines “malicious cyber activities” as activities that seek to compromise or impair the confidentiality, integrity, or availability of computers, information or communication systems, networks, physical or virtual infrastructure controlled by computers of information systems, or information residing on those systems.

Section 2 (24) defines ransomware as any type of malicious software or digital code designed to encrypt, steal, exfiltrate, delete, destroy, or deny access to any data, databases, systems, applications, networks, data centers, cloud computing environment, cloud service, or other mission critical or business essential infrastructure.

Section 3 (1) lists the responsibilities of the Office of the State Chief Information Officer.

Section 3 (3) states that each agency must ensure that all mission critical applications, and other resources containing category 3 or category 4 data, have immutable backups.

Section 3 (7) states that the section does not apply to institutions of higher education.

Section 4 lists a set of reporting responsibilities for the Office of the State Chief Information Officer.

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: 5518 S SB	Title: Cybersecurity	Agency: 380-Western Washington University
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Gena Mikkelsen	Phone: 3606507412	Date: 02/17/2023
Agency Approval: Faye Gallant	Phone: 3606504762	Date: 02/17/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/20/2023

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.

This substitute bill will not have any impact to WWU due to the previous provisions in this bill were stricken in committee and the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce.

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: 5518 S SB	Title: Cybersecurity	Agency: 387-Washington State Arts Commission
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Deane Shellman	Phone: 3606221743	Date: 02/17/2023
Agency Approval: Karen Hanan	Phone: 360-586-2423	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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.

This requirements for this substitute bill are only applicable to WaTech, the Military Department, and the Department of Commerce.

ARTS is part of WaTech M365 Shared Tenant and so there will be minimal additional cost to the agency. The anticipated workload closely aligns with current Information Technology coordination and would not require additional resources. This bill instead would shift our IT priorities to implementation of new policies and reporting 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.

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

Revised

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 390-Washington State Historical Society
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Teresa Mattson	Phone: (360) 798-5906	Date: 02/16/2023
Agency Approval: Jennifer Kilmer	Phone: 253-798-5900	Date: 02/16/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/16/2023

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.

As this bill revolves around safeguarding against, and mitigating potential disruption of critical infrastructure from cyberattack and creates an emergency management council and numerous subcommittees to address, of which we are not a named participant. There will be no fiscal impact to the Washington State History Museum. Additionally no specific requirements of each agency have been established in this bill to aid in determining potential 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: 5518 S SB	Title: Cybersecurity	Agency: 395-Eastern Washington State Historical Society
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Flory Seth	Phone: 360-407-8165	Date: 02/20/2023
Agency Approval: Flory Seth	Phone: 360-407-8165	Date: 02/20/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/21/2023

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.

Per assumptions released by the lead agency, Substitute Senate Bill 5518 relating to cybersecurity will only directly impact WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Eastern WA Historical Society (EWSHS).

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: 5518 S SB	Title: Cybersecurity	Agency: 405-Department of Transportation
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Bob Loveless	Phone: 360-705-7860	Date: 02/21/2023
Agency Approval: Matthew Modarelli	Phone: 360-705-7601	Date: 02/21/2023
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 02/21/2023

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 WSDOT 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.

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: SSB 5518	Title: Cybersecurity	Agency: 405-Department of Transportation
-----------------------	----------------------	--

Part I: Estimates

Check applicable boxes and follow corresponding instructions, use the fiscal template table provided to show fiscal impact by account, object, and program (if necessary), **add rows if needed**. If no fiscal impact, check the box below, skip fiscal template table, and go to Part II to explain briefly, why the program believes there will be no fiscal impact to the department.

No Fiscal Impact (Explain in section II. A)

If a fiscal note is assigned to our agency, someone believes there might be, and we need to address that, showing why there is no impact to the department.

Indeterminate Cash Receipts Impact (Explain in section II. B)

Indeterminate Expenditure Impact (Explain in section II. C)

If fiscal impact is less 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 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**

Revised

The cash receipts and expenditure estimates on this fiscal template represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Agency Assumptions

N/A

Agency Contacts:

Preparer: Bob Loveless	Phone: 360-878-3201	Date: 2/17/2023
Approval: Matthew Modarelli	Phone: 360-790-4980	Date: 2/17/2023
Budget Manager: Siri Olson	Phone: 360-705-7542	Date: 2/17/2023

Individual State Agency Fiscal Note

Part II: Narrative Explanation

II. A - Brief description of what the measure does that has fiscal impact

Briefly describe by section number (sections that will change WSDOT costs or revenue), the significant provisions of the bill, and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency. List the sections that have fiscal impact to WSDOT only. E.g., "Section 3 directs the Department to ..." No summarizing, no interpreting, and save any background context for the revenue and expenditure parts.

The changes in Substitute SB 5518 removed potential fiscal impact to the Washington State Department of Transportation. The current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce.

This substitute bill removed sections 3(3) back up requirements, 3(4) category 3 and 4 data lists and remediation, 3(5) immutable backup compliance requirements, and section 6(1)(b) that provided funding to meet the backup requirements and replaced them with language that establishes committees and subcommittees within the Military department and Consolidated Technology Services and placed additional requirements on the department of Commerce.

The department assumes that requirements for the other agencies will not trickle down to have fiscal impacts on the department at this time. However, it is possible that future policies made by the other agencies could have fiscal impacts throughout state government. This is beyond the potential for WSDOT to predict right now.

II. B – Cash Receipts Impact

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.

N/A

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

No fiscal impact on WSDOT.

Part III: Expenditure Detail

III. A - Expenditures by Object or Purpose

N/A

Individual State Agency Fiscal Note

Part IV: Capital Budget Impact

N/A

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

N/A

Individual State Agency Fiscal Note

Bill Number: 5518 S SB	Title: Cybersecurity	Agency: 406-County Road Administration Board
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Drew Woods	Phone: 360-753-5989	Date: 02/21/2023
Agency Approval: Drew Woods	Phone: 360-753-5989	Date: 02/21/2023
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 02/21/2023

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.

CRAB is not identified in the lead agency assumptions as an agency impacted by the bill.

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: 5518 S SB	Title: Cybersecurity	Agency: 407-Transportation Improvement Board
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/16/2023
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 02/16/2023

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.

Per assumptions released by the lead agency, the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce. Accordingly, the bill will not impact the Transportation Improvement Board.

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: 5518 S SB	Title: Cybersecurity	Agency: 410-Transportation Commission
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Aaron Halbert	Phone: 360-705-7118	Date: 02/17/2023
Agency Approval: Reema Griffith	Phone: 360-705-7070	Date: 02/17/2023
OFM Review: Maria Thomas	Phone: (360) 229-4717	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.

Compared to the original bill, the narrative changes in SSB 5518 do not affect the fiscal impact to WSTC.

SSB 5518 directs Consolidated Technology Services (CTS) to adopt enhanced enterprise technology standards to specifically address malware and ransomware protection.

State agencies must protect all mission critical and business essential applications and other resources that contain data that requires special handling. Agencies are required to assess all applications and resources containing data and report the sizing and prioritization of managed data in the event of system failure or data loss.

The information technology security account is created. State agencies may apply to receive funds from this account to procure immutable data backup and disaster recovery services for mission critical and business essential applications or other critical IT systems.

This substitute bill has no fiscal impact for the WSTC because the agency information technology services are provided by WSDOT.

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: 5518 S SB	Title: Cybersecurity	Agency: 411-Freight Mobility Strategic Investment Board
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Doug Clouse	Phone: 360-705-7535	Date: 02/17/2023
Agency Approval: Doug Clouse	Phone: 360-705-7535	Date: 02/17/2023
OFM Review: Erik Hansen	Phone: (360) 810-0883	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.

There is no fiscal impact to the Freight Mobility Strategic Investment Board. The current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce.

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: 5518 S SB	Title: Cybersecurity	Agency: 465-State Parks and Recreation Commission
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Melinda Gourley	Phone: (360) 902-8539	Date: 02/16/2023
Agency Approval: Van Church	Phone: (360) 902-8542	Date: 02/16/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/16/2023

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 proposed legislation concerns the protection of critical constituent and state operational data against the financial and personal harm caused by ransomware and other malicious cyber activities.

Section 2(4)(a) - Establishes a subcommittee of the Emergency Management Council named Cybersecurity Advisory Committee with the purpose to provide advice and recommendations that strengthen cybersecurity within private and public sectors.

Section 3 - Establishes a subcommittee of the Technology Services Board named Technology Services Board Security Subcommittee with the purpose of evaluating emerging cyber threats and proposing various security exercises.

The proposed legislation would have no fiscal impact to State Parks. Parks is not named as a party to be involved directly in either the Cybersecurity Advisory Committee or the Technology Services Board or related subcommittees. If participation is required staff time and costs to participate, such as travel, would be absorbed within current funding. If Parks was to participate in a cybersecurity exercise impacts would be absorbed by current staff.

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.

None.

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.

None.

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: 5518 S SB	Title: Cybersecurity	Agency: 471-State Conservation Commission
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Karla Heinitz	Phone: 360-878-4666	Date: 02/17/2023
Agency Approval: Ron Shultz	Phone: 360-790-5994	Date: 02/17/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	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.

The Substitute bill has no fiscal impact on the State Conservation Commission.

The previous provisions in this bill were stricken in committee and the current bill requirements are only applicable to WaTech, the Military Department, and the Department of Commerce.

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: 5518 S SB	Title: Cybersecurity	Agency: 477-Department of Fish and Wildlife
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Barbara Reichart	Phone: 3608190438	Date: 02/17/2023
Agency Approval: Barbara Reichart	Phone: 3608190438	Date: 02/17/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	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.

CHANGE IN FISCAL IMPACT: SB 5518 included technical storage and reporting requirements that would have required increased data storage by WDFW and vendors, data analysis, and additional reporting. SHB 5518 removes these requirements and creates governance and advisory committees to define actions needed to manage critical infrastructure. These changes eliminate the fiscal impacts to WDFW.

Section 2 creates a cybersecurity advisory committee which will report to the state Emergency Management Council (EMC). This committee will advise the EMC on matters related to security for critical state infrastructure.

WDFW assumes that the Department may be a participant in the committee. The efforts will be minimal and absorbed within existing resources. 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: 5518 S SB	Title: Cybersecurity	Agency: 478-Puget Sound Partnership
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Sheridan Tabor	Phone: 360-706-4955	Date: 02/21/2023
Agency Approval: Sheridan Tabor	Phone: 360-706-4955	Date: 02/21/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/21/2023

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.

Puget Sound Partnership has an intra agency agreement with Recreation Conservation Office (RCO) for IT support. RCO states:

There is no fiscal impact for Recreation and Conservation Office to implement this bill. The bill directs statewide updates technology standards around malware and ransomware and requires the agency to evaluate technology systems meeting certain criteria and report biennially with identified requirements and compliance. The agency has existing staff whose responsibilities align with the changes outlined in the bill, so these requirements will be met with existing resources.

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: 5518 S SB	Title: Cybersecurity	Agency: 495-Department of Agriculture
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Susie Olsen	Phone: 360-902-2077	Date: 02/17/2023
Agency Approval: Nicholas Johnson	Phone: (360) 902-2055	Date: 02/17/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	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.

Substitute Senate Bill 5518 differs from SB 5518 as follows:

Section 2. (4) Establishes the Cybersecurity Advisory Committee within the Emergency Management Council.

Section 3. (1) Establishes the Technology Services Board (TSB) Security Subcommittee within WaTech to review threats, assess risk and notify agencies of new risks.

Section 3. (6) Specifies the Military Department and WaTech are jointly responsible for providing a state of cybersecurity report specifying recommendations considered necessary to address cybersecurity in the state.

Section 5. Expands Commerce's authority regarding energy-related activities to include preparing and updating contingency plans for securing energy infrastructure against all physical and cybersecurity threats.

None of these committee actions, as listed in SSB 5518, has a fiscal impact to the agency.

Senate bill 5518 concerning protection of critical constituent and state operational data against the financial and personal harm caused by ransomware and other malicious cyber activities.

SB 5518, Section 3(4) requires all state agencies must ensure all mission-critical applications, business-essential applications, and other resources containing category 3 and category 4 data (as defined in OCIO policy) have immutable backups by March 31, 2024, or submit to WaTech a plan to comply with the law. Immutable backups differ from standard backups in that the data cannot be altered, deleted, or further encrypted. This is a critical component towards ransomware protections. The Washington State Department of Agriculture (WSDA) IT data assets will need to be fully re-evaluated, updating all data attributes regarding “mission-critical and business-essential applications,” and ensuring all category 3 and category 4 internally managed and external (3rd party) vendors are in immutable backups. Any current resources maintained in non-WaTech backup services will need to be changes over and software application contracts will need to be rewritten to account for the immutable backup requirement. Payment towards the WaTech Backup Services or WaTech Private Cloud are determinate by the data storage requirements and number of records to be contained in the systems.

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.

No cash receipt impact.

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.

No fiscal impact.

None of these committee actions, as listed in the bill, has a fiscal impact to the agency.

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

No capital impacts.

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: 5518 S SB	Title: Cybersecurity	Agency: 540-Employment Security Department
-------------------------------	-----------------------------	---

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Hope Gamez	Phone: 360-763-2919	Date: 02/20/2023
Agency Approval: Lisa Henderson	Phone: 360-902-9291	Date: 02/20/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/20/2023

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.

This bill mandates the protection of critical constituent and state operational data against the financial and personal harm caused by ransomware and other malicious cyber activities.

This version of the bill makes several substantive changes:

Section 1 laying out the legislature intent was stricken and replaced with the previous version Section 2 which is bill definitions.

Section 2 is rewritten and creates the emergency management council as well as the cybersecurity advisory committee. The requirement for the Employment Security Department (ESD) to ensure applications and data have immutable backups was stricken from Section 3. In its place, Section 3 added language which creates the technology services board.

Section 4 was stricken, and the new language added is a confidentiality declaration.

Removing the requirements from the previous version of Section 3 and 4 changes the estimate to 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: 5518 S SB	Title: Cybersecurity	Agency: 699-Community and Technica College System
-------------------------------	-----------------------------	--

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: Angela Kleis	Phone: 360-786-7469	Date: 02/15/2023
Agency Preparation: Brian Myhre	Phone: 360-704-4413	Date: 02/16/2023
Agency Approval: Cherie Berthon	Phone: 360-704-1023	Date: 02/16/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/20/2023

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 substitute bill differs from the original in the following ways:

Removes definitions for “immutable” and “information protection” and “malicious cyber activities” and changes the definition of “ransomware”.

Eliminates requirements for the Office of the Chief Information Officer to design, develop, and implement enterprise technology standards specific to malware and ransomware protection, backup, and recovery.

Creates the Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council. The purpose of the Committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors. The Committee shall bring together organizations with expertise and responsibility for cybersecurity and incident response including Institutions of Higher Education.

Creates the Technology Services Board Security Subcommittee within the Technology Services Board.

Authorizes the Department of Commerce to prepare and update contingency plans for securing energy infrastructure against physical and cybersecurity threats.

These changes would not change the fiscal impact when compared to the original bill.

This bill seeks to ensure data protection and disaster recovery practices at state agencies are consistent with enterprise technology standards to protect against ransomware and other malicious cyber activities.

SECTION 1

Ransomware is defined as a type of malware that attempts to deny a user or organization access to data or systems, usually through encryption, until a sum of money or other currency is paid or the user or organization is forced to take a specific action.

SECTION 2

Creates the Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council. The purpose of the Committee is to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors. The Committee shall bring together organizations with expertise and responsibility for cybersecurity and incident response including Institutions of Higher Education.

SECTION 3

Creates the Technology Services Board Security Subcommittee within the Technology Services Board. Duties of the Subcommittee include:

- Review emergent cyberattacks and threats to critical infrastructure sectors
- Assess emerging risks to state agency information technology
- Recommend a reporting and information sharing system to notify state agencies of new risks
- Recommend tabletop cybersecurity exercises, including data breach simulation exercises
- Assist the Office of Cybersecurity in developing cybersecurity best practice recommendations for state agencies
- Assist the Consolidated Technology Services and the Military Department in creating the state of cybersecurity report by December 1, 2023, and each December 1st thereafter

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.

No cash receipts impact.

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.

No expenditure impact.

SECTION 2

Creates the Cybersecurity Advisory Committee as a subcommittee of the Emergency Management Council to provide advice and recommendations that strengthen cybersecurity in both industry and public sectors. The Committee shall bring together organizations with expertise and responsibility for cybersecurity and incident response, including Institutions of Higher Education. It is anticipated any interactions with the Advisory Committee can be accomplished within existing resources.

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.