

Multiple Agency Fiscal Note Summary

Bill Number: 1045 S HB	Title: Basic income pilot program
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Public Defense	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	.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
Department of Social and Health Services	11.1	87,704,000	87,704,000	87,704,000	10.4	251,186,000	251,186,000	251,186,000	.0	0	0	0
Department of Children, Youth, and Families	.0	12,000	12,000	12,000	.0	0	0	0	.0	0	0	0
Total \$	11.1	87,716,000	87,716,000	87,716,000	10.4	251,186,000	251,186,000	251,186,000	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Public Defense	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Washington State Health Care Authority	.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 Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Total									
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								

Estimated Capital Budget Breakout

Prepared by: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Final 2/28/2023
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Individual State Agency Fiscal Note

Bill Number: 1045 S HB	Title: Basic income pilot program	Agency: 056-Office of Public Defense
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Omeara Harrington	Phone: 360-786-7136	Date: 01/25/2023
Agency Preparation: Sophia Byrd McSherry	Phone: 360-586-3164	Date: 02/01/2023
Agency Approval: Sophia Byrd McSherry	Phone: 360-586-3164	Date: 02/01/2023
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 02/03/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 7 of SHB 1045 provides that state agencies shall minimize the impact of the pilot program on eligibility for other services, including eligibility for public defense services under Chapter 10.101 RCW. Based on this directive in the bill, the Office of Public Defense anticipates no change in the number of clients that courts will find eligible for public defense representation provided by OPD. Thus OPD anticipates no fiscal impact from SHB 1045.

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: 1045 S HB	Title: Basic income pilot program	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Omeara Harrington	Phone: 360-786-7136	Date: 01/25/2023
Agency Preparation: Cary Retlin	Phone: 360-725-5003	Date: 02/16/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 02/16/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	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.

Section 7 requires that agencies minimize the impact of assistance provided by this pilot on other public benefits or programs. The department of commerce (department) programs that would need to make changes to contracts or guidelines could include WorkFirst programs, Low Income Home Energy Assistance (LIHEAP), and grants for refugees and immigrant legal aid. Changes could be made within existing resources. The only difference between the HB 1045 and SHB 1045 is the year which changes from 2024 to 2023.

Section 12 refers the evergreen basic income pilot program have access for essential needs, pregnant women and housing support services within the fund appropriated for the department, but still 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.

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.

There is no fiscal impact to the department. The activities stated in SHB 1045 are already part of the normal operating procedures for the department.

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: 1045 S HB	Title: Basic income pilot program	Agency: 107-Washington State Health Care Authority
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Omeara Harrington	Phone: 360-786-7136	Date: 01/25/2023
Agency Preparation: Joseph Cushman	Phone: 360-725-5714	Date: 01/31/2023
Agency Approval: Madina Cavendish	Phone: 360-725-0902	Date: 01/31/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/01/2023

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 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.

See attached narrative.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

See attached narrative.

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

See attached narrative.

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: SBH 1045 Basic Income Pilot

HCA Request #: 23-071

Part II: Narrative Explanation

The Bill relating to the Basic Income Pilot Program.

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

None of the sections of this bill creates a fiscal impact to the Health Care Authority.

II. B - Cash Receipts Impact

None.

II. C – Expenditures

No Fiscal Impact.

There is no expected fiscal impact regarding system changes that may be needed to support this.

Part IV: Capital Budget Impact

None

Part V: New Rule Making Require

None

Individual State Agency Fiscal Note

Revised

Bill Number: 1045 S HB	Title: Basic income pilot program	Agency: 300-Department of Social and Health Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	10.5	11.7	11.1	10.4	0.0
Account					
General Fund-State 001-1	2,617,000	85,087,000	87,704,000	251,186,000	0
Total \$	2,617,000	85,087,000	87,704,000	251,186,000	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: Omeara Harrington	Phone: 360-786-7136	Date: 01/25/2023
Agency Preparation: Seth Nathan	Phone: 360-902-0001	Date: 02/28/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/28/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/28/2023

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 3(1) establishes the Evergreen Basic Income Pilot Program within the Department of Social and Health Services (DSHS).

Section 3(2) requires the department to begin providing 24 monthly payments to pilot participants no later than January 1, 2025.

Section 3(4) sets monthly payment amounts for pilot participants at 100 percent of the fair market rent in the county in which the participant lives at the time of application.

Section 3(5) limits the pilot program to 7,500 eligible participants.

Section 3(6) provides that qualified applicants in excess of the 7,500 limit may serve in a control group for data collection purposes; control group participants will be compensated at a rate of \$25 per hour up to a maximum of \$250 per person.

Section 3(9) requires the department to provide funding to tribal entities and community-based organizations that serve and are substantially governed by marginalized populations to pay the costs associated with program outreach, assistance completing applications, and related activities that directly support the goal of encouraging application and participation by people of color.

Section 3(10) requires the department to contract with a third-party vendor to process and approve program applications and provide all aspects of operations.

Section 3(11) requires the department to offer participants benefit counseling that includes an analysis of whether and how any other public benefits may be impacted and ensures informed consent.

Section 3(12) requires the pilot program to reimburse any participant for the loss of other public benefits due to participation in the pilot.

Section 3(13) requires the pilot program to develop reenrollment plans for participants to immediately reenroll in any benefits lost due to participation in the pilot program.

Section 4 establishes a board of directors as a collaboration of the state, tribal nations, and community partners to administer the pilot program.

Section 5 ensures statewide distribution of participants in the pilot program, stipulating that the maximum number of eligible participants per region is to be determined according to the share of people living in poverty in Washington state that reside in each respective region specified in the section.

Section 6(2) requires the department to submit a report to the legislature and the governor that evaluates the pilot program and makes recommendations for an ongoing basic income program.

Section 6(3) requires the department to contract with a third-party organization to design and implement the program evaluation, with consultation from the department.

Section 7 requires state agencies to complete any actions required to minimize, to the greatest extent possible, the impact of cash assistance provided under the pilot program on public assistance eligibility and benefit amounts by December 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.

No cash receipts anticipated.

The pilot program is a state-based initiative, with no federal participation at this time.

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 fiscal note assumes all operational aspects of the Evergreen Basic Income Pilot Program will be completed by the conclusion of Fiscal Year (FY) 2027, and estimates no fiscal impact in subsequent FYs. DSHS Economic Services Administration (ESA) anticipates future funding would be determined by the legislature in the 2027 legislative session and beyond, should an ongoing basic income program be adopted in Washington State.

As the pilot program is a state-based initiative, with no federal participation at this time, fiscal impact is assumed to be 100 percent General Fund-State.

1) Pilot Program Treatment Group Benefit Amount and Control Group Compensation

This fiscal note estimate utilizes county groupings in alignment with Managed Care/Accountable Communities Health regions recognized by the Washington State Health Care Authority (HCA), 2023 fair market rent (FMR) data published by the U.S. Department of Housing & Urban Development (HUD), and population data from the American Community Survey (ACS).

To estimate the number of pilot program participants in each region, the maximum number of 7,500 participants was multiplied by each representative proportion of statewide population in poverty by region. The numbers of participants per region were multiplied by monthly FMR in each region, then multiplied by 12 to estimate annual fiscal impact.

Assuming an initiation date of January 1, 2025, ESA estimates the benefit amount provided to the treatment group under the Evergreen Basic Income Pilot Program to be \$78,126,000 in FY 2025, \$156,251,000 FY 2026, and \$78,126,000 in FY 2027

This fiscal note assumes a control group size of 7,500 engaged members each receiving the maximum amount of \$250 for their participation over the duration of the study plus an additional six-month period during which data collection is expected to continue.

ESA estimates the compensation amount provided to the control group for data collection purposes to be \$375,000 in FY 2025, and \$750,000 in FY 2026 and FY 2027.

Regarding the requirement for the pilot program to reimburse any participant for the loss of other public benefits due to participation in the pilot, this fiscal note assumes agencies will be able to secure federal waivers or other authority required to minimize impact of cash assistance provided under the pilot program on public assistance benefits. Therefore, no fiscal impact is anticipated in association with this requirement.

2) Pilot Program Administration Costs - ESA

ESA staff managing pilot program administration will include the Board of Directors - comprised of representatives from the State, Tribal Nations, and community partners – as well as supporting staff, including a Managing Director, Fiscal

Director, Regional Directors, Project Managers, and a Fiscal Analyst.

ESA assumes that the requirement to offer participants benefit counseling will be fulfilled with use of the Federal Reserve Bank of Atlanta's Guaranteed Income Dashboard tool, which is available free of cost, and can be updated with Washington State policy rules with a memorandum of understanding (MOU). This fiscal note estimates Public Benefits Specialists (PBS) will spend an average of 45 minutes training each of the 7,500 pilot participants, beginning September 1, 2024 - three months in advance of pilot initiation.

Regarding the requirement for the pilot program to develop reenrollment plans for participants to immediately reenroll in any benefits lost due to participation in the pilot program, this fiscal note assumes that this work will be able to be performed within existing resources. Therefore, no fiscal impact is anticipated in association with this requirement.

ESA estimates a total of \$1 million in funding will be provided to tribal entities and community-based organizations that serve and are substantially governed by marginalized populations to pay the costs associated with program outreach, assistance completing applications, and related activities that directly support the goal of encouraging application and participation by people of color in the pilot program. This fiscal note assumes funding will be distributed to tribal entities and community-based organizations evenly between July 1, 2023 and the pilot initiation date of January 1, 2025. Therefore, ESA estimates costs to be \$667,000 in FY 2024 and \$333,000 in FY 2025.

Assuming a start date of July 1, 2023, ESA estimates program administration costs of 9.3 FTE and \$1,548,000 in FY 2024, 10.2 FTE and \$1,607,000 in FY 2025, and 9.3 FTE and \$1,494,000 in FY 2026 and FY 2027.

3) Pilot Program Administration Costs - DSHS Technology Innovation Administration (TIA)

TIA anticipates fiscal impacts associated with the planning and development of request for proposal (RFP) requirements that ensure procurement of a third-party vendor meets IT security standards, technical assistance associated with reviewing potential vendor responses against business needs, project management, and implementation of the pilot program. To accomplish this, TIA will utilize an IT Program Manager and IT Security Manager.

Assuming a start date of July 1, 2023, TIA estimates program administration costs of 1.2 FTE and \$257,000 in FY 2024, 1.5 FTE and \$287,000 in FY 2025, and 1.1 FTE and \$211,000 in FY 2026 and FY 2027.

4) Third-Party Vendor Costs for Program Administration

The department will contract with a third-party vendor to process and approve applications for the pilot program. The vendor will also provide all aspects of operations, including: eligibility determination, participant enrollment, cash disbursement, and control group compensation. The vendor will also share administrative data on pilot program operations with the contracted evaluator entities to support program evaluation.

This estimate assumes a 4 percent fee on total dollars disbursed through the vendor. The total is calculated by multiplying this rate with the estimated total treatment group benefit amount and control group compensation amount to be disbursed each year.

Multiplying the total dollars to be disbursed per year by 4 percent, ESA estimates third-party vendor costs for program administration of \$3,140,000 in FY 2025, \$6,280,000 in FY 2026, and \$3,155,000 in FY 2027.

5) Program Evaluation Costs

The department will contract with a third-party organization to design and implement program evaluation. DSHS Research and Data Analysis Division (RDA) anticipates the contractor will be required to stand up a significant IT application to support primary data collection for program participants and control group members, in addition to large scale analysis of

administrative data. Considering the complexity of the target population and scope of outcome domains, the evaluation design is expected to be complex, and the volume of research questions vast.

Assuming the contractor is procured July 1, 2024 - six months in advance of pilot initiation - ESA estimates costs of \$1,000,000 in FY 2025, FY 2026, and FY 2027.

RDA anticipates having a major role in consulting with ESA, department leadership, and the contracted external evaluator in data and evaluation components of the pilot program. Areas of consultation may include: planned IT changes in ACES data system, data quality monitoring, identifying prioritized populations, evaluation design, use of administrative data for program evaluation.

Assuming a start date of July 1, 2023, ESA estimates program evaluation consultation costs of \$145,000 in FY 2024, \$219,000 in FY 2025, \$228,000 in FY 2026, and \$236,000 in FY 2027.

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	2,617,000	85,087,000	87,704,000	251,186,000	0
Total \$			2,617,000	85,087,000	87,704,000	251,186,000	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	10.5	11.7	11.1	10.4	
A-Salaries and Wages	1,228,000	1,312,000	2,540,000	2,408,000	
B-Employee Benefits	392,000	432,000	824,000	774,000	
C-Professional Service Contracts		1,000,000	1,000,000	2,000,000	
E-Goods and Other Services	735,000	3,548,000	4,283,000	9,569,000	
G-Travel	3,000	3,000	6,000	6,000	
J-Capital Outlays	69,000	22,000	91,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		78,501,000	78,501,000	235,877,000	
P-Debt Service	4,000	6,000	10,000	8,000	
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	176,000	252,000	428,000	522,000	
9-TZ-ISSD	10,000	11,000	21,000	22,000	
Total \$	2,617,000	85,087,000	87,704,000	251,186,000	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
FISCAL ANALYST 5	82,901	0.1	0.1	0.1	0.1	
IT PROJECT MANAGEMENT - IT MANAGER	130,863	0.6	1.1	0.9	1.1	
IT SECURITY - EXPERT	137,430	0.6	0.4	0.5		
MANAGEMENT ANALYST 4	85,020	2.0	2.0	2.0	2.0	
PUBLIC BENEFITS SPECIALIST 3	63,214		0.9	0.5		
WMS BAND 2	118,101	5.0	5.0	5.0	5.0	
WMS BAND 3	133,019	2.0	2.0	2.0	2.0	
WMS BAND 4	154,194	0.2	0.2	0.2	0.2	
Total FTEs		10.5	11.7	11.1	10.4	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.

Department rules related to treatment of income for public assistance eligibility determinations would need to be amended to address how income received under this pilot program would be counted.

Individual State Agency Fiscal Note

Bill Number: 1045 S HB	Title: Basic income pilot program	Agency: 307-Department of Children, Youth, and Families
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
General Fund-State 001-1	12,000	0	12,000	0	0
Total \$	12,000	0	12,000	0	0

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Omeara Harrington	Phone: 360-786-7136	Date: 01/25/2023
Agency Preparation: Ashley McEntyre	Phone: 2533064501	Date: 01/31/2023
Agency Approval: Sarah Emmans	Phone: 360-628-1524	Date: 01/31/2023
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 02/02/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Comparison HB 1045 and SHB 1045

Section 3(5) expands definitions and further clarifies how pilot participants will be chosen by region.

Section 3(10) provides clarification on requirements for the Department of Social and Health Services for contracting with a third party to process and approve pilot applications. DSHS is required to develop an easy and efficient re-enrollment plan for participants who lose participation in the pilot.

Section 4(1)(d) expands the pilot's Board of Directors to include one representative from a federally recognized tribe from a reservation that is largely rural.

Section 6(1) and 6(3) is amended to require DSHS to collect data on pilot program participants and is expanded to require DSHS to contract with a third party to design and implement program evaluation standards with the data collected.

Section 7(1)(f) is amended to require the Department of Children Youth and Families to comply with this section by December 1, 2023.

Section 12 amends RCW 74.04.805 to exclude income received under this pilot program for referrals from housing support programs administered by the Department of Commerce.

Section 13(3)(b) is amended to exclude income received under the pilot program from the definition of income under RCW 10.101.010.

Section 15 amends RCW 70.170.060 to exclude income received under the pilot program from hospital patients requiring charity care.

HB 1045 Basic Income Pilot Program

HB 1045 creates an evergreen basic income pilot program within the department of social and health services providing twenty-four monthly payments to income qualifying individuals who meet certain criteria and are selected for the pilot.

Section 3(1) establishes the Evergreen Basic Income Pilot within the Department of Social and Health Services (DSHS).

Section 7(1) describes how state agencies will minimize the impact of cash assistance provided under the pilot, including temporary assistance for needy families, working connection child care (WCCC), early childhood education and assistance program (ECEAP), and head start and tribal head start programs.

Section 7(2) establishes that state agencies, including the Department of Children, Youth and Families must complete actions to comply with this section, including rule making, coordinating with federal regulatory agencies, proposing changes to existing state law, and providing a summary of analysis and action to DSHS by December 1, 2024.

Section 8(9)(a) determines that any cash assistance a person receives from the evergreen basic income pilot program or any guaranteed basic income program operated by a government or private entity may not be considered in determining a person's initial or ongoing eligibility for public assistance.

Section 9 establishes that any cash assistance a person receives from the evergreen basic income pilot program or any guaranteed basic income program operated by a government or private entity may not be considered in determining family income or a child’s eligibility when applying or reapplying for ECEAP.

Section 10(7) establishes that any cash assistance a person receives from the evergreen basic income pilot program or any guaranteed basic income program operated by a government or private entity may not be considered in determining family income or a child’s eligibility when applying or reapplying for WCCC.

Section 14 establishes that if any part of that if any part of the act is found to conflict with federal requirements as prescribed as a condition to the allocation of federal funds to the state, the conflicting section is inoperative.

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 Department of Children, Youth and Families estimates \$12,000 (\$12,000 GF-S) in the 23-25 Biennial Budget.

Section 10(7)

Total Costs are \$12,000 one-time in FY24.

This section requires updates to the Barcode system to allow identification and tracking of income associated with the evergreen basic income pilot program. DCYF assumes that Barcode Programming, within DSHS, will require 2 weeks (.04 FTE) total time for a Senior Business Analyst and 2 weeks (.04 FTE) total time of a Journey Level Developer to program the Barcode Eligibility system.

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	12,000	0	12,000	0	0
Total \$			12,000	0	12,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts	12,000		12,000		
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 \$	12,000	0	12,000	0	0

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

NONE

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Early Learning (030)	12,000		12,000		
Total \$	12,000		12,000		

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.

Yes.

Section 7 requires a change to WAC 110-15-0070, excluded income and deductions.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1045 S HB

Title: Basic income pilot program

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Brandon Rountree	Phone: (360) 999-7103	Date: 02/02/2023
Leg. Committee Contact: Omeara Harrington	Phone: 360-786-7136	Date: 01/25/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/02/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/02/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

Overview: This bill would establish a basic income pilot that would provide 7,500 individuals with monthly payments equal to 100% of the fair market rent for a two bedroom dwelling within the county that the recipient resides.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This bill would not impact local government expenditures.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This bill would not impact local government revenues.

Sources:

Washington Association of County Officials