

Multiple Agency Fiscal Note Summary

Bill Number: 5061 P S SB	Title: Personnel Records
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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	No fiscal impact					
Loc School dist-SPI	Fiscal note not available					
Local Gov. Other						
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Administrative Office of the Courts	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	.0	0	0	258,000	.0	0	0	0	.0	0	0	0
Department of Social and Health Services	Fiscal note not available											
Employment Security Department	.3	0	0	63,534	.5	0	0	127,068	.5	0	0	127,068
Total \$	0.3	0	0	321,534	0.5	0	0	127,068	0.5	0	0	127,068

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	Fiscal note not available								
Employment Security Department	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Preliminary 1/ 8/2024
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Judicial Impact Fiscal Note

Bill Number: 5061 P S SB	Title: Personnel Records	Agency: 055-Administrative Office of the Courts
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

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

Contact	Phone:	Date: 12/15/2023
Agency Preparation: Angie Wirkkala	Phone: 360-704-5528	Date: 01/04/2024
Agency Approval: Chris Stanley	Phone: 360-357-2406	Date: 01/04/2024
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 01/08/2024

188,309.00

Request # 006-1

Part II: Narrative Explanation

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

The bill would require employers to allow requesting employees or former employees to inspect their own personnel file annually. The bill outlines requirements on the employer and provides for a private Superior Court cause of action to enforce the requirements and for damages.

II. B - Cash Receipts Impact

None

II. C - Expenditures

This bill is assumed to have no fiscal impact.

There may be minimal impacts to the Administrative Office of the Courts and the courts as employers.

There may be minimal impact to the courts by creating a new cause of action and potentially more court filings to the extent enforcement actions are sought.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

188,309.00

Form FN (Rev 1/00)

NONE

None

188,309.00

Form FN (Rev 1/00)

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Request # 006-1

Bill # 5061 P S SB

Individual State Agency Fiscal Note

Bill Number: 5061 P S SB	Title: Personnel Records	Agency: 235-Department of Labor and Industries
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
Accident Account-State 608-1	0	220,000	220,000	0	0
Medical Aid Account-State 609-1	0	38,000	38,000	0	0
Total \$	0	258,000	258,000	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:	Phone:	Date: 12/15/2023
Agency Preparation: Rachel Reed	Phone: 360-902-4552	Date: 12/21/2023
Agency Approval: Melody Porter	Phone: 360-902-6648	Date: 12/21/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 12/26/2023

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 bill creates a new requirement for the Department of Labor and Industries (L&I) to develop and furnish employers with information describing an employer's obligations and employee's rights under this section and RCW 49.12.240, 49.12.250, and section 4 of this act. These obligations and rights relate to employer requirements for responding to employee or former employee requests for their personnel files, responding to former employee requests for statements regarding their discharge, and allowing employees and former employees to pursue private rights of action for violations of the law and establishes statutory damages.

Section 2(1) adds to RCW 49.12.250 and 1985 c 336 s 2 by providing a new time frame (14 calendar days) that the employer must provide the requested personnel file(s) at no cost to an employee, former employee, or their designee.

Section 2(4) adds a provision requiring employers to, within 14 calendar days of receiving a written request from a former employee or their designee, furnish a signed written statement to the former employee or their designee stating the effective date of discharge, whether the employer had a reason for the discharge, and if so, the reasons.

Section 3(2) adds the requirement that L&I develop and furnish to each employer information which describes an employer's obligations and employee's rights under this section and RCW 49.12.240, 49.12.250, and section 4 of this act. L&I must provide this information to employers at least annually. Failure to provide the information does not relieve an employer of its obligations.

Section 4(1) is a new section that allows employees and former employees to enforce RCW 49.12.240 through 49.12.260 through a private cause of action in superior court and for each violation to be entitled to equitable relief, statutory damages, and reasonable attorneys' fees and costs. Therefore, there is no enforcement role for the Department of Labor and Industries (L&I).

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 bill allows an employee or former employee to enforce RCW 49.12.240 through 49.12.260 through private cause of action. There is no enforcement role for L&I, and therefore no fiscal impact in terms of penalties issued to employers.

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.

Appropriated – Operating Costs

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

Marketing and Outreach

\$207,447 will be necessary for outreach during fiscal year 2025 to effectively implement this bill, which directs L&I to develop and furnish information for each employer describing the employer's obligations and an employee's rights. The outreach will be in the form of direct mail to approximately 260,000 employers. Annual notifications will be done as part of our normal annual notifications.

Printing and Translation

\$50,000 is needed during fiscal year 2025 for printing and translation costs relating to updating multiple worker-rights printed posters, printed pamphlets, and online publications, including Your Rights as a Worker, Employee Rights to Equal Pay and Opportunities, Isolated Worker Employee Concerns, New Employee Packet, Pocket Guide to Worker Rights, and others.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
608-1	Accident Account	State	0	220,000	220,000	0	0
609-1	Medical Aid Account	State	0	38,000	38,000	0	0
Total \$			0	258,000	258,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services		258,000	258,000		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	258,000	258,000	0	0

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5061 P S SB	Title: Personnel Records	Agency: 540-Employment Security Department
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.5	0.3	0.5	0.5
Account					
Employment Service Administrative Account-State 134-1	0	63,534	63,534	127,068	127,068
Total \$	0	63,534	63,534	127,068	127,068

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:	Phone:	Date: 12/15/2023
Agency Preparation: Daniel Hare	Phone: 360 902-9422	Date: 12/15/2023
Agency Approval: Lisa Henderson	Phone: 360-902-9291	Date: 12/15/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 12/15/2023

Part II: Narrative Explanation

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

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

The proposed submittal requires employers to provide, within 14 days, personnel files upon request, clarifies which records must be included, and sets penalties for when files are not provided timely.

Section 1: Clarifies which records must be included when requested by the employee.

Section 2: Requires employers to provide within 14 calendar days of receiving a request. Defines 'former employee' to include any person separated from the employer within three years of the date of the person's request.

Section 3: Requires Labor and Industries (LNI) to provide annual notice to employees of their rights regarding personnel files.

Section 4: Establishes a private cause of action for employees when the records are not delivered in a timely fashion.

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.

N/A

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.

Section 2 (4) imposes a 14-day deadline on providing personnel files to current and former employees. As an employer, the Employment Security Department (ESD) will require the following:

- .5 FTE of a Human Resources Consultant 2 (HRC2) to comply with this requirement beginning in FY 2025 and ongoing in a permanent role to be able to obtain all documentation timely. The total cost of this is estimated to be \$63,534 each year

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
134-1	Employment Service Administrative Account	State	0	63,534	63,534	127,068	127,068
Total \$			0	63,534	63,534	127,068	127,068

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.5	0.3	0.5	0.5
A-Salaries and Wages		33,427	33,427	66,854	66,854
B-Employee Benefits		13,371	13,371	26,742	26,742
C-Professional Service Contracts					
E-Goods and Other Services		7,575	7,575	15,150	15,150
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		9,161	9,161	18,322	18,322
9-					
Total \$	0	63,534	63,534	127,068	127,068

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
Human Resource Consultant 2	64,445		0.5	0.3	0.5	0.5
Total FTEs			0.5	0.3	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

N/A

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

This bill will not require rulemaking. However, adjustments to WAC 192-320-070 may need to be done to explicitly make sure the rule is in lockstep with the statute. Those adjustments may also be done anyways as part of rulemaking to implement HB 1106 (2023).

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5061 P S SB

Title: Personnel Records

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

Legislation Impacts:

- Cities: All cities
- Counties: All counties
- Special Districts: All 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: The number of current or former employees who will request personnel files; the amount of staff time required to furnish personnel records for each jurisdiction.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: James Vogl	Phone: 360-480-9429	Date: 12/22/2023
Leg. Committee Contact:	Phone:	Date: 12/15/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 12/22/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 12/26/2023

Part IV: Analysis

A. SUMMARY OF BILL

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

Section 1 would amend RCW 49.12.240, adding a definition of personnel files for the purposes of RCW 49.12.240, 49.12.250, 49.12.260, and section 4 of the proposed legislation.

Section 2 would amend RCW 49.12.250, requiring an employer to furnish an employee, former employee, or their designee with a complete, un-redacted copy of their personnel file at no cost within 14 calendar days of a request. This section would also mandate that an employer furnish a former employee with a signed written statement with the effective date of discharge, whether the employer had a reason for the discharge, and if so, the reasons, within 14 calendar days of the written request.

Section 4 would add a new section to chapter 49.12 RCW that would allow an employee or former employee to bring a private action for violations of the duties and rights described in RCW sections 49.12.240 through 49.12.260, and entitles the employee or former employee to equitable relief, graduated statutory damages up to \$1,000, and reasonable attorneys' fees and costs for each violation.

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 have indeterminate impacts on local governments.

According to the Washington State Association of Counties, this bill would have a small impact on local governments, which already keep personnel files and are subject to reporting under the Public Records Act. According to RCW 49.12.240, all employees have the right to inspect their own personnel files at least once each year. Since state and local government agencies already maintain personnel records, the Public Employment Relations Commission does not expect local governments to incur significant costs providing current employees with their personnel files.

Local governments may be more likely to incur costs in terms of staff time in order to meet the 14 day deadline, depending on the administrative capacity and records retention policies of the jurisdiction. If an employer is unable to meet the 14 day deadline, or does not permit an employee to inspect their personnel file at least annually, they would incur costs in the form of statutory damages starting at \$250, and up to \$1,000. Since it is unknown how many current or former employees that will request personnel files, the amount of staff time required to furnish personnel records for each jurisdiction, or the penalties local governments may incur for failing to meet the 14 day deadline, the expenditure impacts for local governments are indeterminate.

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 have revenue impacts on local governments.

SOURCES:

Association of Washington Cities

Bill Hearing, SB 5061, Labor & Commerce Committee, (January 12, 2023)

Local government fiscal note for SSB 5061 (2023)

Municipal Research Services Center

Public Employment Relations Commission

Senate Substitute Bill Report, SSB 5061, Labor & Commerce Committee, (2023)

Senate Bill Report, SB 5061, Labor & Commerce Committee, (2023)

Washington State Association of Counties