

Individual State Agency Fiscal Note

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|-----------------------------|----------------------------|---|
| Bill Number: 2100 HB | Title: Mass layoffs | Agency: 540-Employment Security 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 | 0.0 | 1.1 | 0.6 | 0.2 | 0.2 |
| Account | | | | | |
| General Fund-State 001-1 | 0 | 209,362 | 209,362 | 62,984 | 62,984 |
| Total \$ | 0 | 209,362 | 209,362 | 62,984 | 62,984 |

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: Trudes Tango | Phone: 360-786-7384 | Date: 01/09/2024 |
| Agency Preparation: Geoff Medendorp | Phone: 360-890-3682 | Date: 01/12/2024 |
| Agency Approval: Lisa Henderson | Phone: 360-902-9291 | Date: 01/12/2024 |
| OFM Review: Anna Minor | Phone: (360) 790-2951 | Date: 01/15/2024 |

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 requires Employment Security Department (ESD) to develop a survey in situations where Worker Adjustment and Retraining Notification (WARN) Act notices occur. It requires ESD to collect, compile and report results, as well as comparative data from impacted employers.

Section 2 requires ESD to develop a survey. The survey will be given by employers subject to the WARN Act to those staff affected by a termination notice. Section 2 Subjection 1 states the survey must be developed by Oct 1, 2024.

This section articulates the requirements of the survey. It dictates the responsibilities for employers as well as the timelines they must adhere to.

Section 2 Subsection 4 requires ESD to compile the results of the survey received from employers. It requires ESD to include data on the department's online WARN Act website.

To implement this section, ESD will need to develop the survey itself in digital and paper form. The department will create instructions for employers and create a technical system to receive the reports. Ongoing efforts are required to maintain communications with affected employers and stakeholders, and to analyze results.

The department assumes the vast preponderance of replies are digital and is not asking for resources to digitize paper replies.

ESD can absorb the information technology one-time resources estimated at 160 hours. ESD can absorb ongoing resources required to publish this to its WARN Act website.

Section 3 requires WARN Act employers to provide Rapid Response partners access to affected employees. This section requires ESD designate local Rapid Response partners, which is currently done by Local Workforce Development Boards. ESD will coordinate with Local Workforce Development Boards to leverage the existing process.

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.

To implement this bill, ESD will need to create a survey, instructions for employers, a system of receiving the results electronically. ESD will need to maintain communication with employers and affected stakeholders, as well as analyze survey results.

ESD assumes that the one-time costs will occur in fiscal year 2025 and will take roughly 3 months in duration. ESD assumes that ongoing costs will occur thereafter.

ESD assumes most responses will be digital, and therefore the department does not need to request resources to digitize paper survey submissions.

One Time Costs

Product, Planning and Performance division:

IT Project Manager – Senior / Specialist; will act as the project manager by supporting planning, execution, monitoring and controlling. (FY25: 0.3 FTE, \$59,611)

IT Policy & Planning – Senior / Specialist; will act as the product owner by managing project requirements and product roadmap. (FY25: 0.3 FTE, \$59,611)

Washington Management Services – Band 2; will fulfill the Organizational Change Manager role. Will conduct change readiness, build change plan, and lead the agency during implementation. (FY25: 0.3 FTE, \$58,648).

Product, Planning and Performance one-time costs

FY25: \$59,611 + \$59,611 + \$58,648 = \$177,870

Agency total one-time costs

\$177,870

Agency ongoing costs

Communications

Communication Consultant 5 – will create maintain the communication with employers and digital content. (FY25 and ongoing: 0.1 FTE, \$15,404)

Communications ongoing costs

FY25 and ongoing: \$15,404

Employment System Policy & Integration division

Management Analyst 5 - will coordinate with Local Workforce Development Boards as well as oversee survey information. (FY25 and ongoing: 0.1 FTE, \$16,088)

Employment System Policy & Integration division ongoing costs

FY25 and ongoing

Agency total ongoing costs

FY25 and ongoing: \$15,404 + \$16,088 = \$31,492

Agency total costs

FY25 \$177,870 + \$31,492 = \$209,362

FY26 and ongoing: \$31,492

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 | 0 | 209,362 | 209,362 | 62,984 | 62,984 |
| Total \$ | | | 0 | 209,362 | 209,362 | 62,984 | 62,984 |

III. B - Expenditures by Object Or Purpose

| | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|--------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | 1.1 | 0.6 | 0.2 | 0.2 |
| A-Salaries and Wages | | 114,855 | 114,855 | 33,960 | 33,960 |
| B-Employee Benefits | | 45,942 | 45,942 | 13,584 | 13,584 |
| C-Professional Service Contracts | | | | | |
| E-Goods and Other Services | | | | | |
| G-Travel | | 16,665 | 16,665 | 6,060 | 6,060 |
| J-Capital Outlays | | | | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | | 31,900 | 31,900 | 9,380 | 9,380 |
| 9- | | | | | |
| Total \$ | 0 | 209,362 | 209,362 | 62,984 | 62,984 |

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 |
|---|---------|---------|---------|---------|---------|---------|
| COMMUNICATIONS CONSULTANT 5 | 80,464 | | 0.1 | 0.1 | 0.1 | 0.1 |
| IT POLICY & PLANNING - SENIOR/SPECIALIST | 106,976 | | 0.3 | 0.2 | | |
| IT PROJECT MANAGEMENT - SENIOR/SPECIALIST | 106,976 | | 0.3 | 0.2 | | |
| MANAGEMENT ANALYST 5 | 84,518 | | 0.1 | 0.1 | 0.1 | 0.1 |
| WASHINGTON MANAGEMENT SERVICES - BAND 2 | 105,072 | | 0.3 | 0.2 | | |
| Total FTEs | | | 1.1 | 0.6 | 0.2 | 0.2 |

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.