

Individual State Agency Fiscal Note

Bill Number: 2155 HB	Title: Credential registry	Agency: 354-Workforce Training and Education Coordinating Board
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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	3.5	1.8	3.5	3.5
Account					
General Fund-State 001-1	0	1,316,000	1,316,000	2,080,000	1,650,000
Total \$	0	1,316,000	1,316,000	2,080,000	1,650,000

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.

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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(1)

(a) Creates the Washington credential registry to provide users with the ability to understand, evaluate, and access essential information about educational and occupational credentials.

(b) Directs the Workforce Board to develop and administer the registry.

(c) The credential registry must be developed based on the information within the Board's Career Bridge site, and as much as possible, not duplicate data collection/aggregation.

(d) Directs the Workforce Board to consult with agencies that oversee and certify credentials to workers and students in the development and administration of the credential registry.

(e) This section (i-ix) lists the required components of the credential registry, but states that it is not limited to the list in the bill.

(f) States that the credential registry must be a repository of linked open data about credentials and may not contain individual credential holder data.

(g) Directs the Workforce Board to work with credential oversight agencies to set up a technical assistance team and a set of resources to support credential owners to publish data to the registry.

(h) States that the credential registry must be publicly available, searchable, and comparable using linked open specifications and interoperable data formats accessible across state and national borders, sectors, and platforms. The information must be kept updated on each providers' website and on an open national repository accessible to the public. The bill allows for these requirements to be met using Credential Transparency Description Language (CTDL) specifications.

Section 1(2) sets up grant funding, subject to appropriation, to support credential transparency and equitable pathways and transitions for the following initial topics:

- Populations with demonstrated evidence of being underemployed, undereducated, or underpaid.
- Early childhood education and child care.
- Corrections-involved individuals.
- Military members, military spouses, and veterans.

Section 1(2) additionally provides grant funding to support creating and piloting skill and competency validation protocols and integration of data from the registry into users' digital and portable learning and employment records.

Section 1(3) states the registry must be operational by July 1, 2025.

Section 1(4) states that the Workforce Board shall report annually to the Legislature on progress with the implementation of the registry, value and uses to residents and employers, and recommendations for further expansion and improvements.

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.

Overview

The proposed legislation calls for creating a Washington Credential Registry to be both developed and administered by the Workforce Board and operational by July 1, 2025. The Registry shall be developed based on data within Career Bridge and whenever possible not duplicate data collection and aggregation on the existing Career Bridge website. We understand this to mean that the Career Bridge site (created and managed by the Workforce Board since 2009), will likely serve as the foundation for the new Credential Registry.

Project Plan Assumptions

The Workforce Board's two main directives in this Credential Registry bill are:

1 – To build out CareerBridge.wa.gov so that our public-facing, career and education planning portal uses a single taxonomy to describe credentials, and helps credential holders and credential users understand, evaluate, and access essential information on each credential. A limited list is provided in the bill (Section 1(1)(e)(i-ix). The bill indicates that use of the Credential Transparency Description Language (CTDL) may be used to fulfill certain bill requirements.

CTDL enables linked, open data for thousands of credentials to move readily between different platforms and providers, and can handle additional fields, such as skills and competencies, that enable more detailed descriptions of these credentials

2 – To administer several demonstration projects designed to test various aspects of credential transparency to improve workforce outcomes for marginalized individuals or to fill critical skills gaps. Potential topics for demonstration are listed in the bill, subject to appropriation of grant funds for this purpose.

Consult with other agencies

The bill calls for the Workforce Board to consult with agencies that oversee and/or certify credentials to workers and students, such as Washington Student Achievement Council, Office of the Superintendent of Public Instruction, State Board for Community and Technical Colleges, Department of Licensing, Department of Health, and Professional Educator Standards Board. The Workforce Board assumes this section to mean “at a minimum” and will also consult with other credential providing organizations as the work develops. For example, the Department of Labor and Industries will be consulted regarding apprenticeship credentials, and the Northwest Career Colleges Federation will be consulted regarding private and non-credit credentials. Consultation is expected to occur one-on-one and in group meetings, with more regularity in the first two quarters. We anticipate 4 to 6 hours per month of meeting time and/or review of materials over the first 2 years of enactment, with 1 hour per month ongoing.

Create cross-agency Technical Assistance Team

The bill also requires the establishment of a cross-agency Technical Assistance (TA) team to support institutions and programs preparing information to publish in the registry. There will be training provided for team members. We anticipate training will be 40 hours. We are estimating, from the work of other states, that most institutions will not need TA beyond a written guide and directions. For this fiscal note, we are estimating each member of the team will provide about 8 hours of TA per quarter over the first 2 years.

This TA Team is intended to help training providers implement the CTDL language for their offerings. The CTDL provides a shared language that makes it easier for students, employers, education providers, and automated systems to discover, understand, and compare information about credentials from a variety of sources and make informed decisions, based on their own needs, about the relative value of different credentials. We anticipate a “train the trainers” approach to this work. To make that happen, the Workforce Board will staff this effort and hire a contractor. Participating agencies/stakeholders

will also be able to access the same training and technical support through the Technical Assistance team.

Evaluate wider range of program types than currently required

The proposed legislation adds a wider range of education program types to be included in annual, third-party evaluation than is currently conducted by Workforce Board staff as part of the agency's federal obligations under the Workforce Innovation and Opportunity Act (WIOA). Career Bridge is home to Washington's Eligible Training Provider List (ETPL), a requirement of the U.S. Department of Labor. Staff conduct employment, earnings, and completion rate evaluations for thousands of Washington postsecondary programs each year. Under this bill, additional education types would need to be evaluated for performance, such as digital badges and career certifications. This would require the buildout of the Workforce Board's existing Student Data Portal where much of this data is collected each year. It also would require additional staff time both in outreach to education and training providers, and in ensuring that data collection and evaluation was done in a timely way through the agency's secure, encrypted portal. Evaluating the data and populating Career Bridge is also expected to take significant time.

Extra pages must be built and incorporated around CTDL

Additional development costs are required to switch the internal data structure in a modernized Career Bridge to CTDL rather than a modification of existing data structures. Currently, the data structure is much simpler and exported into a minimal CTDL. This project calls for a complete conversion into CTDL, along with storing additional fields, editing, and adding collection pages to access these additional fields. CTDL helps enable owners of credentials to detail them—and update them regularly—using common terminology that can be readily recognized by both search engines and other credential publishers.

Extra pages will be required on Career Bridge for each of these different fields, both internal administration and collection, and dissemination to the public.

Expenditure detail – Project staffing & contracting needs

The Workforce Board requests a Washington Management Service (1.0 WMS-2, ongoing) level position to oversee the build-out of the Career Bridge site, to support the creation of additional fields, and enable the movement of credentials readily between platforms and providers. This position will oversee consultation and input-gathering from credential providers and oversight agencies and be part of the Technical Assistance Team. This position will lead these meetings, including project status updates, note taking, and writing an annual progress report in collaboration with partners that is presented to the Legislature each year, as required by the bill.

The Workforce Board also requests a Management Analyst 5 (1.0 MA-5, and ongoing) level position to administer several demonstration projects called for in this legislation. Potential topics for demonstration are listed in the bill, subject to appropriation of grant funds for this purpose. These projects are estimated to last about two years, with potential overlap between them, with as many as four or five demonstration projects running at one time. More projects will be expected to come online as funding becomes available, enabling the test drive of key concepts by industry or education area before more widely adopting them.

We also estimate a need for administrative and contract/fiscal responsibilities at the Management Analyst 4 (MA-4, 0.5FTE, ongoing). This position is needed for stakeholder and contractor communications, document production and distribution, and meeting coordination and scheduling. This position will provide administrative coverage for a fast-track statewide project that includes regular meetings, quick iterations that are documented and communicated with the group for further refinement, and regional and statewide travel among multiple partners and stakeholders.

We will also need to hire an IT Application-Expert (1.0 FTE, ongoing) to coordinate the building of additional web pages to accommodate additional information associated with credentials. CTDL enables linked, open data for thousands of credentials to move readily between different platforms and providers. This IT position will oversee Career Bridge's conversion into an advanced CTDL-ready platform that can handle additional fields, such as skills and competencies, called

for in the legislation, enabling more detailed descriptions of these credentials.

Contracting Costs

Vendor 1: Contractor with expertise in the CTDL language to provide training and expertise to develop our outreach instruction in CTDL. (Year 1 – \$100,000, Year 2 – \$100,000, Year 3 – \$50,000, Year 4 – \$50,000, Year 5 – \$50,000)

Vendor 2: IT firm to expand and improve the agency’s existing Student Data Portal at an estimated cost of \$60,000 in FY 2025 and \$30,000 in FY 2026.

Vendor 3: IT firm to add/create web pages required for showing different fields, more detailed information about credentials. Cost: \$1 million over two years. (Year 1 – \$500,000, Year 2 – \$500,000, Year 3 – \$150,000, Year 4 – \$150,000, Year 5 – \$150,000)

Please note that the proposed legislation calls for the Credential Registry to be operational by July 1, 2025. Our assumption is that given the complexity of this project, our minimum expectation for the site is that it will be ready at that date to accept the data in a full CTDL format from providers. The proposed legislation does not require any providers or consumers to supply data to the Registry. But should a demonstration project or projects be funded, as detailed in the proposed legislation, we anticipate this initial data would be readily incorporated into the Registry and built on from there.

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	1,316,000	1,316,000	2,080,000	1,650,000
Total \$			0	1,316,000	1,316,000	2,080,000	1,650,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		3.5	1.8	3.5	3.5
A-Salaries and Wages		398,000	398,000	796,000	796,000
B-Employee Benefits		86,000	86,000	172,000	172,000
C-Professional Service Contracts		660,000	660,000	830,000	400,000
E-Goods and Other Services		80,000	80,000	160,000	160,000
G-Travel		21,000	21,000	42,000	42,000
J-Capital Outlays		31,000	31,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		40,000	40,000	80,000	80,000
9-					
Total \$	0	1,316,000	1,316,000	2,080,000	1,650,000

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 App Development-Expert	136,751		1.0	0.5	1.0	1.0
MA4	88,794			0.5	0.5	0.5
MA5	98,040		1.0	0.5	1.0	1.0
WMS 2	118,450		1.0	0.5	1.0	1.0
Total FTEs			3.5	1.8	3.5	3.5

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.