

Multiple Agency Fiscal Note Summary

Bill Number: 2277 HB	Title: Data brokering
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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
Department of Licensing	0	0	986,000	0	0	1,244,000	0	0	1,244,000
Total \$	0	0	986,000	0	0	1,244,000	0	0	1,244,000

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 Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Licensing	2.8	0	0	986,000	4.6	0	0	1,244,000	4.6	0	0	1,244,000
Total \$	2.8	0	0	986,000	4.6	0	0	1,244,000	4.6	0	0	1,244,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.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

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Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final 1/18/2024
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Individual State Agency Fiscal Note

Bill Number: 2277 HB	Title: Data brokering	Agency: 100-Office of Attorney General
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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: Megan Mulvihill	Phone: 360-786-7304	Date: 01/12/2024
Agency Preparation: Dan Jensen	Phone: 360-664-9429	Date: 01/17/2024
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 01/17/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/18/2024

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.

Section 1 – New Section. Findings and intent.

Section 2 – New Section. Definitions.

Section 3 – New Section. Requires data brokers to register with the Department of Licensing (DOL). Provides exclusions from registration.

Section 4 – New Section. Requires data brokers to annually submit a form to DOL providing information about the data broker, pay an annual fee, and include an annual declaration. Provides additional requirements for data brokers.

Section 5 – New Section. Requires the DOL to make registration information provided under Section 3 publically available on its website. Requires DOL to report certain information to the governor and the legislature annually.

Section 6 – New Section. Provides that the Uniform Regulation of Business and Professions Act governs the unlicensed practice, issuance, denial of licenses, and discipline of licensees under this act.

Section 7 – New Section. Gives DOL rulemaking authority to implement this act.

Section 8 – Amends RCW 18.235.020 to include data brokers in the list of entities that DOL has the authority to regulate.

Section 9 – New Section. Adds new sections to Title 19 RCW as a new chapter.

Section 10 – New Section. Creates effective date of January 1, 2026.

The AGO Licensing & Administrative Law Division (LAL) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the DOL. The enactment of this bill will not impact the provision of legal services to DOL because it already has existing relationships and contracts with approximately 20 data brokers, and contract violations are rare. Any advice or administrative litigation will be less than 89 hours, and 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: 2277 HB	Title: Data brokering	Agency: 240-Department of Licensing
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Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Business and Professions Account-State 06L-1		986,000	986,000	1,244,000	1,244,000
Total \$		986,000	986,000	1,244,000	1,244,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	5.6	2.8	4.6	4.6
Account					
Business and Professions Account-State 06L-1	0	986,000	986,000	1,244,000	1,244,000
Total \$	0	986,000	986,000	1,244,000	1,244,000

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: Megan Mulvihill	Phone: 360-786-7304	Date: 01/12/2024
Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 01/18/2024
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 01/18/2024
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/18/2024

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.

Sec. 1 – New Section

This section provides the reasons for creating the bill and its overall aims.

Sec. 2 – New Section

- (1) “Biometric information”:

- o Means a record of one or more measurable biological or behavioral characteristics that can be used alone or in combination with each other or with other information for automated recognition of a known or unknown individual. Examples include, but are not limited to: fingerprints, retina and iris patterns, voiceprints, DNA sequence, facial characteristics, gait, handwriting, key stroke dynamics, and mouse movements

- o Does not include writing samples, written signatures, human biological samples used for valid scientific testing or screening, demographic data, tattoo descriptions, or physical descriptions, such as height, weight, hair color, or eye color. “Biometric information” does not include donated organs, tissues, or parts or blood or serum stored on behalf of recipients or potential recipients of living or cadaveric transplants and obtained or stored by a federally designated organ procurement agency.

- (2) “brokered personal data” means any of the following computerized data elements about a resident individual if it’s categorized or organized for sale/licensing another entity:

- o The individual’s name or address, or either for a member of their immediate family/household

- o The individual’s date or place of birth

- o The maiden name of the individual’s mother

- o The individual’s biometric information

- o The individual’s SSN or any other government-issued identification

- o Information that alone or in combination can be associated with the individual

- (3)(a) “business entity” means any of the following:

- o Resident individual who regularly engages in commercial activity to generate income

- o A corporation, nonprofit, LLC, partnership or LLP, business trust, joint venture, or other business organization whose constituent parts share a common economic interest

- o A financial institution defined in RCW 9A.56.280

- o An individual that controls, is controlled by, or is under common control with a person described in bullets 2 or 3

- o (b) “business entity” doesn’t include the state, a state agency, a local government, or a business entity during a period in which they are working solely on behalf of the state, state agency, or local government direction

- (4) “data broker” means a business entity, or part of, that collects and sells, or licenses brokered personal data to another person and doesn’t include:

- o A consumer reporting agency, a person that provides information to them, or a user of a consumer report to the extent that they are subject to regulation under the federal fair credit reporting act

- o A financial institution, affiliate, or a nonaffiliated third party to the extent that they are subject to regulation under Title V of the Gramm-Leach-Bliley act

- o A business entity that collects information about a resident individual if the individual is/was a user of goods/services, an employee/agent or someone in a contractual relationship with them, an investor, a donor, or in a similar relationship

- o A business entity that performs services for another entity described in the bullet above

- (5) “Data brokering” means the act of collecting, aggregating, analyzing, buying, selling, and sharing brokered personal data, irrespective of the business entity’s relationship with the resident individual whose data is being brokered.

- (6) “department” means DOL

- (7) “resident individual” means an individual residing in WA

Sec. 3 – New Section

- (1) A data broker who engages in data brokering must register with the department (unless their data brokering activities are covered by subsection 2, below).

- (2) A data broker is not required to register with the department (DOL) if the brokered personal data involves any of the

following:

- o Providing publicly available information related to a resident individual's business/profession
- o Providing publicly available information as part of a service that provides alerts for health/safety purposes
- o Providing information that is available from federal, state, or local government records
- o Publishing, selling, or distributing access to journals, books, periodicals, newspapers, magazines, news media or educational works
- o Developing or maintaining an electronic commerce service/software
- o Providing directory assistance/information services as a telecommunications carrier
- o Selling business entity assets that's not part of the ordinary conduct of the business entity

Sec. 4 – New Section

- (1) requires data brokers to complete the following annually, on or before January 31st:
 - o Submit a form that DOL specifies which includes their name, street address, telephone number, and primary website and email address
 - o Pay a fee set by DOL in rule
 - ? DOLs fee shall be sufficient to cover the costs of administering the registration program
 - o A declaration that includes:
 - ? A statement on whether resident individuals may opt out of all or a portion of the broker's collection, sale, or licensing of the resident individuals' brokered personal data
 - ? Identification of which activities of collecting, selling, or licensing personal data resident individual's are able to opt out of or permit the data broker to collect, sell, or license
 - ? Description of the method a resident individual may exercise the choices of form submittal or fee payment
 - ? A statement on whether a resident individual may authorize another person to exercise the choice in bullet 1 of this list, on their behalf and the appropriate process
- (2) requires DOL to approve the registration if a data broker applies with section requirements
- 3) allows DOL to approve/renew a registration by an agreement with the nationwide multistate licensing system
- o Allows DOL to conform their practices to the requirements of the nationwide multistate licensing system in rule

Sec. 5 – New Section

- Requires DOL to make the information that business entities submit for registration publicly available on its website.
- Requires DOL to report the following to the Governor and legislature annually:
 - o How many business entities registered with the department as data brokers in that year.
 - o The fee the department charged for registration per data broker, and the total revenue collected.
 - o How many business entities were fined for noncompliance
 - o Any other information the department deems relevant.

Sec. 6 – New Section

- (The uniform regulation of business and professions act, chapter 18.235 RCW governs unlicensed practice, the issuance and denial of licenses, and the discipline of licensees under this chapter.

Sec. 7 – New Section

- Provides DOL rulemaking authority

Sec. 8 – Amends RCW 18.235.020 (2)(a)(xxiv)

- Adds Data Brokers to the list. Allows for the director to impose penalties.

Sec. 9 – New Section

- Section 2-7 constitute a new chapter in Title 19 RCW

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.

Please see attached fiscal note.

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.

Please see attached fiscal note.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
06L-1	Business and Professions Account	State	0	986,000	986,000	1,244,000	1,244,000
Total \$			0	986,000	986,000	1,244,000	1,244,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		5.6	2.8	4.6	4.6
A-Salaries and Wages		403,000	403,000	628,000	628,000
B-Employee Benefits		147,000	147,000	236,000	236,000
C-Professional Service Contracts					
E-Goods and Other Services		430,000	430,000	368,000	368,000
G-Travel		6,000	6,000	12,000	12,000
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	986,000	986,000	1,244,000	1,244,000

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
Customer Service Specialist 2	48,864		1.0	0.5	1.0	1.0
EMS Band 3	122,400		0.1	0.1	0.1	0.1
Investigator 2	65,748		0.5	0.3	0.5	0.5
Investigator 4	84,192		0.3	0.2	0.3	0.3
Management Analyst 4	86,208		1.0	0.5		
PROFESSIONAL LICENSING REPRESENTATIVE 1	55,224		1.0	0.5	1.0	1.0
PROFESSIONAL LICENSING REPRESENTATIVE 2	67,380		1.3	0.7	1.3	1.3
WMS Band 2	120,000		0.1	0.1	0.1	0.1
WSM Band 1	108,000		0.3	0.2	0.3	0.3
Total FTEs			5.6	2.8	4.6	4.6

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.

BPD will need to create a new Chapter in WAC. Undetermined number of WAC's needed until stakeholder work is done.

Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: HB 2277

Bill Title: Data Brokering

Part 1: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts:

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
	Account Totals	-	986,000	986,000	1,244,000	1,244,000

Estimated Expenditures:

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-	986,000	986,000	1,244,000	1,244,000
	Account Totals	-	986,000	986,000	1,244,000	1,244,000

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.

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- ☒ 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: Linda Hamilton	Phone: (360) 515-8620	Date:
Agency Preparation: Gina Rogers	Phone: (360) 634-5036	Date: 1-17-24
Agency Approval: Collin Ashley	Phone: (360) 634-5384	Date:

Request #	1
Bill #	2277

Part 2 – Explanation

This bill requires all entities engaged in data brokering to obtain a license from the Department of Licensing.

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

Sec. 1 – New Section

This section provides the reasons for creating the bill and its overall aims.

Sec. 2 – New Section

- (1) “Biometric information”:
 - Means a record of one or more measurable biological or behavioral characteristics that can be used alone or in combination with each other or with other information for automated recognition of a known or unknown individual. Examples include, but are not limited to: fingerprints, retina and iris patterns, voiceprints, DNA sequence, facial characteristics, gait, handwriting, key stroke dynamics, and mouse movements
 - Does not include writing samples, written signatures, human biological samples used for valid scientific testing or screening, demographic data, tattoo descriptions, or physical descriptions, such as height, weight, hair color, or eye color. “Biometric information” does not include donated organs, tissues, or parts or blood or serum stored on behalf of recipients or potential recipients of living or cadaveric transplants and obtained or stored by a federally designated organ procurement agency.
- (2) “brokered personal data” means any of the following computerized data elements about a resident individual if it’s categorized or organized for sale/licensing another entity:
 - The individual’s name or address, or either for a member of their immediate family/household
 - The individual’s date or place of birth
 - The maiden name of the individual’s mother
 - The individual’s biometric information
 - The individual’s SSN or any other government-issued identification
 - Information that alone or in combination can be associated with the individual
- (3)(a) “business entity” means any of the following:
 - Resident individual who regularly engages in commercial activity to generate income
 - A corporation, nonprofit, LLC, partnership or LLP, business trust, joint venture, or other business organization whose constituent parts share a common economic interest
 - A financial institution defined in RCW 9A.56.280
 - An individual that controls, is controlled by, or is under common control with a person described in bullets 2 or 3
 - (b) “business entity” doesn’t include the state, a state agency, a local government, or a business entity during a period in which they are working solely on behalf of the state, state agency, or local government direction
- (4) “data broker” means a business entity, or part of, that collects and sells, or licenses brokered personal data to another person and doesn’t include:
 - A consumer reporting agency, a person that provides information to them, or a user of a consumer report to the extent that they are subject to regulation under the federal fair credit reporting act
 - A financial institution, affiliate, or a nonaffiliated third party to the extent that they are subject to regulation under Title V of the Gramm-Leach-Bliley act

- A business entity that collects information about a resident individual if the individual is/was a user of goods/services, an employee/agent or someone in a contractual relationship with them, an investor, a donor, or in a similar relationship
- A business entity that performs services for another entity described in the bullet above
- (5) “Data brokering” means the act of collecting, aggregating, analyzing, buying, selling, and sharing brokered personal data, irrespective of the business entity’s relationship with the resident individual whose data is being brokered.
- (6) “department” means DOL
- (7) “resident individual” means an individual residing in WA

Sec. 3 – New Section

- (1) A data broker who engages in data brokering must register with the department (unless their data brokering activities are covered by subsection 2, below).
- (2) A data broker is not required to register with the department (DOL) if the brokered personal data involves any of the following:
 - Providing publicly available information related to a resident individual’s business/profession
 - Providing publicly available information as part of a service that provides alerts for health/safety purposes
 - Providing information that is available from federal, state, or local government records
 - Publishing, selling, or distributing access to journals, books, periodicals, newspapers, magazines, news media or educational works
 - Developing or maintaining an electronic commerce service/software
 - Providing directory assistance/information services as a telecommunications carrier
 - Selling business entity assets that’s not part of the ordinary conduct of the business entity

Sec. 4 – New Section

- (1) requires data brokers to complete the following annually, on or before January 31st:
 - Submit a form that DOL specifies which includes their name, street address, telephone number, and primary website and email address
 - Pay a fee set by DOL in rule
 - DOL’s fee shall be sufficient to cover the costs of administering the registration program
 - A declaration that includes:
 - A statement on whether resident individuals may opt out of all or a portion of the broker’s collection, sale, or licensing of the resident individuals’ brokered personal data
 - Identification of which activities of collecting, selling, or licensing personal data resident individual’s are able to opt out of or permit the data broker to collect, sell, or license
 - Description of the method a resident individual may exercise the choices of form submittal or fee payment
 - A statement on whether a resident individual may authorize another person to exercise the choice in bullet 1 of this list, on their behalf and the appropriate process
- (2) requires DOL to approve the registration if a data broker applies with section requirements

- Registrations are valid until December 31st of the year in which DOL approves it
- (3) allows DOL to approve/renew a registration by an agreement with the nationwide multistate licensing system
 - Allows DOL to conform their practices to the requirements of the nationwide multistate licensing system in rule

Sec. 5 – New Section

- Requires DOL to make the information that business entities submit for registration publicly available on its website.
- Requires DOL to report the following to the Governor and legislature annually:
 - How many business entities registered with the department as data brokers in that year.
 - The fee the department charged for registration per data broker, and the total revenue collected.
 - How many business entities were fined for noncompliance
 - Any other information the department deems relevant.

Sec. 6 – New Section

- (The uniform regulation of business and professions act, chapter 18.235 RCW governs unlicensed practice, the issuance and denial of licenses, and the discipline of licensees under this chapter.

Sec. 7 – New Section

- Provides DOL rulemaking authority

Sec. 8 – Amends RCW 18.235.020 (2)(a)(xxiv)

- Adds Data Brokers to the list. Allows for the director to impose penalties.

Sec. 9 – New Section

- Section 2-7 constitute a new chapter in Title 19 RCW

Sec. 10. This act takes effect **January 1, 2026**

2.B - Cash receipts Impact

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
	Account Totals	-	986,000	986,000	1,244,000	1,244,000

2.C – Expenditures

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-	986,000	986,000	1,244,000	1,244,000
	Account Totals	-	986,000	986,000	1,244,000	1,244,000

Information Services:

The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

Any change requires a process to ensure changes are correctly applied to the system. This involves Project Managers that manage the team that completes the update, business analyst that documents and reviews the system changes, architect services that analyzes how the update could have an effect on other systems or DOL processes, developers who create the change, and testers and quality assurance teams that ensure the update is working correctly.

What IS Will Implement:

- Create new profession in POLARIS for data brokers.
- Create ability to for data brokers to register, renew, and submit account change requests online or by paper.
- Add form fields to collect information from each data broker on residents' ability to opt out of data broker activities and the method for opting out.
- Update system to allow staff to process registrations and perform compliance activities.
- Create new registration fee.
- Add new profession to standard notifications and create new notification timing for annual registration reminder.
- Update scanners to route paper submissions to system.
- Update public license search to include data brokers and opt out information for each data broker.

Cost Category	Description	Rate	2024	2025	2026	2027	2028	2029	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 27,144	-	57,000	-	-	-	-	57,000
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 19,836	-	11,900	-	-	-	-	11,900
PROJECT MANAGER	Manage schedule and contracts	\$ 34,452	-	17,200	-	-	-	-	17,200
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 19,836	-	6,000	-	-	-	-	6,000
DEVELOPERS	Modify programming and coding to all major systems	\$ 22,968	-	6,900	-	-	-	-	6,900
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 27,144	-	16,300	-	-	-	-	16,300
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 29,824	-	11,500	-	-	-	-	11,500
Totals			-	126,800	-	-	-	-	126,800

Support Services:

Agency Administrative Overhead is included at a rate of 23.4 percent of the direct program costs. This funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees. These indirect costs are shown under object E.

Part 3 – Expenditure Detail

3.A – Operating Budget Expenditures

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-	986,000	986,000	1,244,000	1,244,000
Account Totals		-	986,000	986,000	1,244,000	1,244,000

3.B – Expenditures by Object or Purpose

Object E - Description	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
EA - General Office Supplies	-	1,270	1,270	2,080	2,080
EB - Phone/Install/Usage	-	4,620	4,620	7,600	7,600
EC - Utilities	-	2,410	2,410	3,960	3,960
ED - Facility/Lease Costs	-	30,470	30,470	50,060	50,060
EE - Repairs, Alterations & Maintenance	-	6,800	6,800	11,160	11,160
EG - Training	-	900	900	1,480	1,480
EH - Manage Print Services	-	4,640	4,640	7,620	7,620
EK - Facilities and Services	-	7,060	7,060	11,600	11,600
ER - Contracted Costs	-	77,170	77,170	4,360	4,360
ER - Application Programmers	-	126,800	126,800	-	-
EY - Software Maintenance	-	19,250	19,250	31,620	31,620
EZ - Other Goods & Svcs	-	148,810	148,810	235,760	235,760
Total Goods & Services	-	430,000	430,000	367,000	367,000

Application Programmers Contract \$126,800 (one-time) \$4,360 (ongoing) maintenance
Vendor modification to existing Commercial Off the Shelf COTS software \$74,521 (one-time)

- Create new profession in POLARIS for data brokers.
- Create ability to for data brokers to register, renew, and submit account change requests online or by paper.
- Add form fields to collect information from each data broker on residents' ability to opt out of data broker activities and the method for opting out.
- Update system to allow staff to process registrations and perform compliance activities.
- Create new registration fee.
- Add new profession to standard notifications and create new notification timing for annual registration reminder.
- Update scanners to route paper submissions to system.
- Update public license search to include data brokers and opt out information for each data broker

Travel Costs for investigators: \$6,000 (on-going)

- 10 working days (2 weeks) per year,
- Totaling 1,595.00 miles (using Spokane, Tacoma, and Portland as mileage points for diversity)

3.C – FTE Detail

Staffing	Salary	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Customer Service Specialist 2	48,864	0.0	1.0	0.5	1.0	1.0
PROFESSIONAL LICENSING REPRES	55,224	0.0	1.0	0.5	1.0	1.0
PROFESSIONAL LICENSING REPRES	67,380	0.0	1.3	0.7	1.3	1.3
Investigator 2	65,748	0.0	0.5	0.3	0.5	0.5
Investigator 4	84,192	0.0	0.3	0.2	0.3	0.3
Management Analyst 4	86,208	0.0	1.0	0.5	0.0	0.0
WSM Band 1	108,000	0.0	0.3	0.2	0.3	0.3
WMS Band 2	120,000	0.0	0.1	0.1	0.1	0.1
EMS Band 3	122,400	0.0	0.1	0.1	0.1	0.1
Total FTE		0.0	5.6	3.1	4.6	4.6

Licensing Unit:

Quantity	Title	Job description	Ongoing or Project
1	Customer Service Specialist 2	Provides customer service support on phones, email, and written correspondence.	Ongoing
1	Professional Licensing Rep 1	Processes initial and annual reinstatement application registrations.	Ongoing
.5	Professional Licensing Rep 2	Provides supervisor support to staff and oversees day to day operations of licensing and system support.	Ongoing
.3	WMS1	Provides overall program management of licensing program, requirements, and support.	Ongoing
.1	WMS2	Provides long term goals, strategic direction, and program support.	Ongoing
.1	EMS3	Provides long term goals, strategic direction, and program support.	Ongoing

Central Investigations and Audits Unit:

.5	Professional Licensing Rep 2	Process intake complaints, evaluate for relevancy, provide consumer guidance and direction to the AGO consumer complaints division.	Ongoing
.5	Investigator 2	Conduct investigations associated with complaints filed tied to consumer complaints and/or business entities.	Ongoing
.3	Investigator 4	Supervise and provide escalated regulatory support.	Ongoing

Regulatory Compliance/UCC/Firearms Section:

.3	Professional Licensing Rep 2	Works with investigators to compile information for legal documents, manage due process activities and administrative action for licensees	Ongoing
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Rulemaking Section: 1

1	Management Analyst 4	Provides senior level professional analysis; coordinates and conducts rulemaking to implement new changes; support stakeholder outreach; and assists with process and policy development.	12 Month Project
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Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

BPD will need to create a new Chapter in WAC. Undetermined number of WAC's needed until stakeholder work is done.



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
2277 HB	Data brokering

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Department of Licensing	0	986,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	5,962,000
Total	0	986,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	5,962,000



Ten-Year Analysis

Bill Number 2277 HB	Title Data brokering	Agency 100 Office of Attorney General
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Partially Indeterminate Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Dan Jensen	Phone: 360-664-9429	Date: 1/17/2024 4:41:21 pm
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 1/17/2024 4:41:21 pm
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 1/18/2024 2:21:01 pm



Ten-Year Analysis

Bill Number 2277 HB	Title Data brokering	Agency 240 Department of Licensing
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☐ **No Cash Receipts**
☐ **Partially Indeterminate Cash Receipts**
☐ **Indeterminate Cash Receipts**

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
	06L		986,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	5,962,000
Total			986,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	622,000	5,962,000
Biennial Totals			986,000	1,244,000	1,244,000	1,244,000	1,244,000	1,244,000	1,244,000	1,244,000	1,244,000	5,962,000

Narrative Explanation (Required for Indeterminate Cash Receipts)

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 1/18/2024 1:30:41 pm
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 1/18/2024 1:30:41 pm
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 1/18/2024 2:21:01 pm