

Multiple Agency Fiscal Note Summary

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|-----------------------------|---|
| Bill Number: 5485 SB | Title: Public employees/child care |
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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 Attorney General | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Office of Financial Management | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | | | | |
| SWF Statewide Fiscal Note - OFM | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | | | | |
| Total \$ | 0.0 | 0 | 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 | | | | | | | | | |
| 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 Attorney General | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Office of Financial Management | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| SWF Statewide Fiscal Note - OFM | .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 | | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | No fiscal impact | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Breakout

NONE

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|---------------------------------------|---------------------------------|---|
| Prepared by: Carly Kujath, OFM | Phone: (360) 790-7909 | Date Published: Final 1/22/2024 |
|---------------------------------------|---------------------------------|---|

Individual State Agency Fiscal Note

| | | |
|-----------------------------|---|---|
| Bill Number: 5485 SB | Title: Public employees/child care | Agency: 100-Office of Attorney General |
|-----------------------------|---|---|

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.

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|-------------------------------------|-----------------------|------------------|
| Legislative Contact: Sam Brown | Phone: 786-7470 | Date: 01/12/2024 |
| Agency Preparation: Cassandra Jones | Phone: 360-709-6028 | Date: 01/17/2024 |
| Agency Approval: Joe Zawislak | Phone: 360-586-3003 | Date: 01/17/2024 |
| OFM Review: Val Terre | Phone: (360) 280-3973 | Date: 01/19/2024 |

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.

The AGO Revenue and Finance Division (REV) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Office of Financial Management (OFM). The enactment of this bill will not impact the provision of legal services to OFM. Legal advice needed by OFM are nominal, therefore, costs are not included in this request.

The AGO Agriculture and Health Division (AHD) has reviewed this bill and determined it will not increase or decrease the division's workload. The enactment of this bill will not impact the provision of legal services by AHD to the Department of Commerce (Commerce). Commerce was assigned this fiscal note request for its role in estimating the impact of bills on local governments. Commerce itself would not be given any new authorities or responsibilities under this bill. This bill will not generate any legal work for AHD, therefore, no costs are 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: 5485 SB | Title: Public employees/child care | Agency: 105-Office of Financial Management |
|-----------------------------|---|---|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

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: Sam Brown | Phone: 786-7470 | Date: 01/12/2024 |
| Agency Preparation: Kathy Cody | Phone: (360) 480-7237 | Date: 01/18/2024 |
| Agency Approval: Jamie Langford | Phone: 360-902-0422 | Date: 01/18/2024 |
| OFM Review: Val Terre | Phone: (360) 280-3973 | Date: 01/19/2024 |

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 2 clarifies that payment or reimbursement of childcare or adult dependent care expenses, related to travel on official business, to state employees does not constitute a private benefit or gain in violation of the Ethics Act.

Section 3 expands the definition of "subsistence expense" related to travel on official business, of which OFM prescribes reasonable allowances to cover, to include child or adult dependent care that would not be necessary of the person was working from the person's designated post of duty.

OFM may incur some workload to update travel policy and assist agencies who may need to update their travel policies to incorporate these changes. The bill might also require informing the HR community of the affect and intent of the bill. OFM will also need to provide guidance to the HR community identifying that reimbursement of childcare expenses and dependent care expenses don't violate the ethics act. This work can be completed utilizing current staffing and resources, and therefore has no fiscal impact to OFM.

Including child or adult dependent care as a reimbursable travel expense would likely increase travel expenses incurred by OFM. The impact of this increase is indeterminate.

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.

Including child or adult dependent care as a reimbursable travel expense would likely increase travel expenses incurred by OFM. The expenditure impact is indeterminate because we are unable to determine how many employees would utilize child/elder care reimbursement.

For illustrative purposes:

- OFM currently has 470 employees.
- Assuming 50% of the staff travel at some time during the fiscal year. Of those traveling, 35% of staff request reimbursement of child/elder care.
- $470 \times 50\% = 235$ staff
- $235 \text{ staff} \times 35\% \text{ of the staff request child/elder care reimbursement} = 82$ employees
- The current minimum wage is \$16.28/hour. Assuming child/elder care is needed for 24 hours while the employee is in travel status. $\$16.28 \times 24 \text{ hours} = \$391/\text{day}$
- The average number of days in travel status is assumed to be 3-5.
- $3 \text{ days} \times \$400/\text{day} = \$1,200/\text{trip} \times 82 \text{ staff} = \$98,400$

OR

- 5 days x \$400/day = \$2,000/trip x 82 staff = \$164,000

Based upon the costs above, OFM could experience costs that range from \$98,400 to \$164,000 per year.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5485 SB

Title: Public employees/child care

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: The legislation provides a local option for municipal corporations to reimburse officers and employees for child care or adult dependent care expenses incurred during work related travel.
- 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

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|--|-----------------------|------------------|
| Fiscal Note Analyst: Kristine Williams | Phone: (564) 669-3002 | Date: 01/17/2024 |
| Leg. Committee Contact: Sam Brown | Phone: 786-7470 | Date: 01/12/2024 |
| Agency Approval: Alice Zillah | Phone: 360-725-5035 | Date: 01/17/2024 |
| OFM Review: Val Terre | Phone: (360) 280-3973 | Date: 01/17/2024 |

Part IV: Analysis

A. SUMMARY OF BILL

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

This bill would allow officers or employees of municipal corporations to receive reimbursement for childcare or adult dependent care expenses incurred during work related travel.

Sec.2 amends 42.52.160 to add a new subsection (4) which would allow the payment of or reimbursement of certain travel and subsistence expenses, including childcare or adult dependent care expenses, for elected and appointed officials and state officials on official travel business.

Sec.3 amends 43.03.050 to include expenses incurred for childcare or adult dependent care in the subsistence expense allowances prescribed by the director of financial management.

Sec.4 amends 42.24.090 to provide an option for municipal corporations to provide reimbursement for reasonable childcare or dependent care expenses incurred by officers or employees while on official travel business.

This legislation would take effect 90 days after adjournment of the session in which the bill is passed.

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 has no impact on local government expenditures because it would provide a local option.

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 has no impact on local government revenues.

Individual State Agency Fiscal Note

| | | |
|-----------------------------|---|--|
| Bill Number: 5485 SB | Title: Public employees/child care | Agency: SWF-SWF Statewide Fiscal Note - OFM |
|-----------------------------|---|--|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

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: Sam Brown | Phone: 786-7470 | Date: 01/12/2024 |
| Agency Preparation: Kathy Cody | Phone: 360-480-7237 | Date: 01/18/2024 |
| Agency Approval: Jamie Langford | Phone: (360) 870-7766 | Date: 01/18/2024 |
| OFM Review: Carly Kujath | Phone: (360) 790-7909 | 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.

This bill clarifies that employees may seek reimbursement for expenses incurred for childcare or adult dependent care as a result of the employee working away from their designated post of duty and that these reimbursements do not qualify as a private benefit or gain in violation of the Ethics Act.

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.

This bill is indeterminate. The Office of Financial Management would add childcare and adult dependent care as allowable expenses for reimbursement into the State Administrative and Accounting Manual to align with the clarity set forth in the proposed law. It is expected that agencies would then have clear authorization to provide the reimbursement to employees who may seek it as a result. It is also anticipated that clarifying this as an allowable reimbursement in statute could make public employees aware of its accessibility and may increasingly seek the reimbursement.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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.