

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5838 S SB	<b>Title:</b> AI task force
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## Estimated Cash Receipts

NONE

## 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 the Governor	Fiscal note not available											
Office of State Auditor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	Fiscal note not available											
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Consolidated Technology Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Criminal Justice Training Commission	Fiscal note not available											
Superintendent of Public Instruction	Fiscal note not available											
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Governor	Fiscal note not available								
Office of State Auditor	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	Fiscal note not available								
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Consolidated Technology Services	.0	0	0	.0	0	0	.0	0	0
Criminal Justice Training Commission	Fiscal note not available								
Superintendent of Public Instruction	Fiscal note not available								
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

# Estimated Capital Budget Breakout

NONE

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3973	<b>Date Published:</b> Preliminary 1/26/2024
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5838 S SB	<b>Title:</b> AI task force	<b>Agency:</b> 095-Office of State Auditor
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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: Sam Brown	Phone: 786-7470	Date: 01/23/2024
Agency Preparation: Charleen Patten	Phone: 564-999-0941	Date: 01/25/2024
Agency Approval: Janel Roper	Phone: 564-999-0820	Date: 01/25/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 01/25/2024

## 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 (1) Establishes an executive committee task force responsible for assessing current uses and trends and also make recommendations to the legislature regarding standards for use and regulation of artificial intelligence. The substitute version specifies this as the executive committee.

Section 2 (2) Defines the members of the executive committee task force including one member representing the state auditor. There is no change between the substitute version and original bill regarding the state auditor as a representative.

This substitute bill differs from the original bill in that it sets specific dates for reports to be submitted and updates the date of the first meeting specifically, Section 2 (5) Directs the executive committee task force to first meet within 45 days of final appointments to the task force and at least twice each year thereafter. Reports detailing the findings and recommendations are to be submitted to the governor and appropriate committees. The preliminary report is due by December 1, 2024, an interim report due by July 1, 2025, and a final report by November 1, 2025.

As with the original bill the language and with the substitute bill, the SAO assumes the time and effort as a task force representative would be negligible and absorbed within existing resources.

### 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

<b>Bill Number:</b> 5838 S SB	<b>Title:</b> AI task force	<b>Agency:</b> 103-Department of Commerce
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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: Sam Brown	Phone: 786-7470	Date: 01/23/2024
Agency Preparation: Lawrence Banks	Phone: (360) 725-4139	Date: 01/25/2024
Agency Approval: Tami Clark	Phone: 360-725-2935	Date: 01/25/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/25/2024

## 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.*

Differences between SSB 5838 and the original bill:

Section 2(2)(v) removed the requirement that one member, appointed by the attorney general, represents the Department of Commerce.

Removed Sections 2(2)(vi) through (xxvi).

Section 2(2)(e) changed from the task force engaging nonmembers to serve on subcommittees, to the attorney general office may convene subcommittees that advise the task force.

Summary of SSB 5838:

Section 2(1) establishes a task force responsible for assessing current uses and trends and also make recommendations to the legislature regarding standards for use and regulation of artificial intelligence.

Section 2(2) defines the members of the task force.

Section 2(2)(e) defines the members of the subcommittees the attorney general office convenes to advise the task force.

Section 2(5) the task force must hold its first meeting within 45 days of final appointments to task force and meet at least twice a year thereafter. The task force must submit preliminary report by December 31, 2024, an interim report by July 1, 2025, and the final report by November 1, 2025.

### 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.*

With regard to section 2, if a member of the department were to serve on a subcommittee, the department assumes two hours per meeting, with a total of 6 hours for 3 meetings. The staffing costs would amount to less than \$3,000 annually and could be absorbed within existing workloads and appropriation levels.

## 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

<b>Bill Number:</b> 5838 S SB	<b>Title:</b> AI task force	<b>Agency:</b> 163-Consolidated Technology Services
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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: Sam Brown	Phone: 786-7470	Date: 01/23/2024
Agency Preparation: Nenita Ching	Phone: 360-407-8878	Date: 01/25/2024
Agency Approval: Christina Winans	Phone: 360-407-8908	Date: 01/25/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/25/2024

## 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 substitute bill, SSB 5838, modifies the artificial intelligence task force membership structure by establishing a 9-member executive committee and authorizing the attorney general to convene subcommittees to advise the task force. It requires the task force to examine artificial intelligence rather than generative artificial intelligence and modifies meeting and reporting requirements.

Sec. 1. Provides legislative findings.

Sec. 2. Specifies task force membership requirements, including a 9-member executive committee and subcommittee. Requires the office of the attorney general to provide staff support for the task force. Requires the executive committee of the task force to examine the development and use of artificial intelligence by private and public sector entities and make recommendations to the legislature regarding standards for the use and regulation of artificial intelligence systems to protect Washingtonians' safety, privacy, and civil and intellectual property rights. Requires the executive committee of the task force to hold its first meeting within 45 days of final appointments to the task force. Requires a preliminary report to be delivered by December 31, 2024, an interim report by July 1, 2025, and a final report by November 1, 2025.

Sec. 3. Declares the act take effect immediately.

### 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.*

None.

### 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.*

The bill will have impacts on WaTech. Section 2 (2) (c) (iii) requires a WaTech representative to join the taskforce. It is also anticipated that the Office of Privacy and Data Protection (OPDP) will provide subject matter expertise on privacy issues to subcommittees and may be engaged in subcommittee and task force work which may include drafting information for the reports as required in the bill.

There is no fiscal impact to WaTech. It is assumed WaTech can absorb the costs for this proposed bill in its base budget if the workload of other enacted legislation does not exceed current staffing levels.

## 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.*