

Multiple Agency Fiscal Note Summary

Bill Number: 2097 S HB	Title: Worker wage recovery
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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 Civil Legal Aid	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	Fiscal note not available											
Department of Labor and Industries	1.0	0	0	302,000	.6	0	0	150,000	.0	0	0	0
Total \$	1.0	0	0	302,000	0.6	0	0	150,000	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Civil Legal Aid	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	Fiscal note not available								
Department of Labor and Industries	.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

NONE

Prepared by: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Preliminary 1/30/2024
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Individual State Agency Fiscal Note

Bill Number: 2097 S HB	Title: Worker wage recovery	Agency: 057-Office of Civil Legal Aid
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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: Trudes Tango	Phone: 360-786-7384	Date: 01/25/2024
Agency Preparation: Sara Robbins	Phone: (360) 485-1544	Date: 01/25/2024
Agency Approval: Sara Robbins	Phone: (360) 485-1544	Date: 01/25/2024
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 01/25/2024

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.

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.

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: 2097 S HB	Title: Worker wage recovery	Agency: 235-Department of Labor and Industries
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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	0.4	1.6	1.0	0.6	0.0
Account					
Accident Account-State 608-1	51,000	175,000	226,000	116,000	0
Medical Aid Account-State 609-1	20,000	56,000	76,000	34,000	0
Total \$	71,000	231,000	302,000	150,000	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Trudes Tango	Phone: 360-786-7384	Date: 01/25/2024
Agency Preparation: Shana J Snellgrove	Phone: 360-902-6408	Date: 01/30/2024
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 01/30/2024
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 01/30/2024

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.

See attached.

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.

See attached.

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.

See attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
608-1	Accident Account	State	51,000	175,000	226,000	116,000	0
609-1	Medical Aid Account	State	20,000	56,000	76,000	34,000	0
Total \$			71,000	231,000	302,000	150,000	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	1.6	1.0	0.6	
A-Salaries and Wages	34,000	135,000	169,000	91,000	
B-Employee Benefits	12,000	48,000	60,000	32,000	
C-Professional Service Contracts					
E-Goods and Other Services	5,000	47,000	52,000	27,000	
G-Travel		1,000	1,000		
J-Capital Outlays	20,000		20,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	71,000	231,000	302,000	150,000	0

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
Administrative Regulations Analyst 4	88,416	0.3	1.0	0.6	0.4	
Fiscal Analyst 5	74,376		0.1	0.1	0.1	
Revenue Agent 3	74,376	0.1	0.5	0.3	0.1	
Total FTEs		0.4	1.6	1.0	0.6	0.0

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.

Part II: Explanation

The bill adds a new section to the Wage Payment Act (Chapter 49.48 RCW) directing the Department of Labor & Industries (L&I) to convene a work group to develop and recommend strategies that help employees who are owed wages recover those wages and be made whole as quickly and as fully as possible when the employees' employers violate provisions under this chapter or the Minimum Wage Act.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 1 directs L&I to convene a work group to explore a wage recovery program or fund, and procedures and mechanisms used in other states to ensure wage recovery for workers. The work group must include two representatives from employee advocacy organizations, two representatives from employer and business advocacy organizations with one of the two representing small employers, one representative from a civil legal aid organization, and one expert from a Washington state postsecondary education institution. L&I will provide staff support and the work group may consult additional representatives from other organizations and experts as needed. The work group must submit a report with recommendations to the legislature by December 1, 2025. This section expires December 1, 2026.

II. B – Cash Receipt Impact

Receivables – Operating

None.

II. C – Expenditures

Appropriated – Operating Costs

This proposed bill increases expenditures to the Accident Account, fund 608, and the Medical Aid Account, fund 609. The following assumptions were used to estimate the resources requested to implement this bill.

Staffing

1.0 FTE, Administrative Regulations Analyst 4, project, for the period April 1, 2024, through March 31, 2026. Duties include leading the work group by facilitating meetings and preparing agendas, reviewing other state wage fund statutes, researching potential fund models, creating solutions for operationalizing a potential new fund, drafting of the required report, and submission of the required report. This FTE will be needed through at least March 31, 2026, in order to respond to follow-up inquiries from the work group members, the Legislature, and others on the submitted report.

0.5 FTE, Revenue Agent 3, project, for the period April 1, 2024, through December 31, 2025. Duties include gathering data on the collections work performed for the Wage Payment Act, reviewing recommendations and providing input/ideas to the work group for ways to increase the collection of wages owed, providing insight on solutions for operationalizing a potential new fund, reviewing other state collection models, providing insight on current and potential new collection models, and contributing to the required report.

Attorney General’s Office – Legal Services

\$30,000 is needed in fiscal year 2025 and \$15,000 is needed in fiscal year 2026 for legal services. Providing client advice for the work group will require 0.1 Assistant Attorney General FTE and 0.1 Paralegal FTE.

Indirect Costs

The amount included in this fiscal note for indirect is:

Fund Name	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
608 Accident	2,300	7,300	5,100	0	0	0
609 Medical Aid	900	2,700	1,600	0	0	0
Total:	\$3,200	\$10,000	\$6,700	\$0	\$0	\$0

The department assesses an indirect rate to cover agency-wide administrative costs. Labor and Industries' indirect rate is applied on salaries, benefits, and standard costs. For fiscal note purposes, the total indirect amount is converted into salary and benefits for partial or full indirect FTEs. Salary and benefits costs are based on a Fiscal Analyst 5 (Range 59, Step G).

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

None.