

Multiple Agency Fiscal Note Summary

Bill Number: 5838 S SB	Title: 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	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Auditor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	1.7	670,000	670,000	670,000	.7	268,000	268,000	268,000	.0	0	0	0
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	.0	0	0	0	.0	0	0	0	.0	0	0	0
Superintendent of Public Instruction	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	1.7	670,000	670,000	670,000	0.7	268,000	268,000	268,000	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 the Governor	.0	0	0	.0	0	0	.0	0	0
Office of State Auditor	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
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	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	.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

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Final 1/31/2024
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Individual State Agency Fiscal Note

Bill Number: 5838 S SB	Title: AI task force	Agency: 075-Office of the Governor
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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: Kathy Cody	Phone: (360) 480-7237	Date: 01/26/2024
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 01/26/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/26/2024

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.

Subject to appropriation, this bill creates a task force to assess current uses and trends to make recommendations to the legislature regarding standards for the use and regulation of generative AI systems. The Attorney General must appoint a member representing the Office of the Governor. The section creating the task force expires on June 30, 2027.

The substitute bill now contains an emergency clause that will make it effective immediately. Changes made in the substitute bill do not change the Office's previous fiscal note assumptions:

The Governor's Office assumes existing staff can participate in the task force and travel expenses associated with the task force will be minimal and can be 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

Bill Number: 5838 S SB	Title: AI task force	Agency: 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

Bill Number: 5838 S SB	Title: AI task force	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:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.7	2.6	1.7	0.7	0.0
Account					
General Fund-State 001-1	134,000	536,000	670,000	268,000	0
Total \$	134,000	536,000	670,000	268,000	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: Sam Brown	Phone: 786-7470	Date: 01/23/2024
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 01/30/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 01/30/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/31/2024

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 purpose. No changes in this version

Section 2: New Section. Subject to appropriations, task force created to assess uses of artificial intelligence (AI) and make recommendations to legislature for use and regulation of AI. Specifies many specific members that shall be appointed by the Attorney General's Office (AGO), to include the following that may require Assistant Attorney General (AAG) time and input: governor's representative, AGO representative, Washington Technology Solutions (WaTech) representative, and a member representing universities or research institutions that are experts. The AGO may convene subcommittees to advise the task force. AGO will administer and staff the task force, to include hiring consultants, creating subcommittees, and assumes to include records management. Executive Committee Task Force duties include review of existing uses, known issues, legal protections; developing guiding principles, analyzing and reporting on numerous other specific issues. First meeting of executive committee is within 45 days of final appointments and thereafter at least twice yearly. Preliminary report is due by December 31, 2024, the interim report is due July 1, 2025, and the final report is due by November 1, 2025. Administrative and reimbursement details, including application of RCW 43.03.220.

Section 3 – New Section. Effective 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.

Attorney General's Office (AGO) Administrative Division (ADM) activities are funded with General Fund-State dollars. No cash receipt impact. There is no client agency to bill for legal services.

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.

Attorney General's Office (AGO) Agency Assumptions:

This bill has an emergency clause and is assumed to be effective immediately.

Location of staffing is assumed to be in a King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

1. Assumptions for the AGO Administrative Division's (ADM) Legal Services:

ADM assumes the enactment of this bill will require a Policy Analyst (PA), along with additional funding for stipends and consultation ADM assumes additional funding for stipends and consultation. ADM assumes assistance for the appointment of members, outreach and engagement across the state to ensure inclusive and extensive participation, administration of the taskforce, report research, recommendations research, writing of the reports, and facilitation.

During FY 2024, ADM estimates that stipends for participation in task force meetings and subcommittee meetings. During FY 2025, ADM estimates that stipends for participation in task force meetings and subcommittee meetings. \$12,800 is assumed for eight subcommittee meetings for approximately eight people each year, and \$128,000 for a consultant for data analysis and advanced legal questions in the realm of artificial intelligence (AI) (assumption is consistent with previous similar work on other task forces). During FY 2026, ADM assumes four subcommittee meetings for approximately eight people for half of the fiscal year based on the due dates of this bill. Therefore, ADM estimates 25 percent of the direct costs from FY 2025 in FY 2024 and 50 percent of the direct costs from FY 2025 in FY 2026 with the final report due November 1, 2025.

Total King County workload impact:

FY 2024: \$134,000 for 0.5 PA, which includes direct costs of \$35,200

FY 2025: \$536,000 for 2.0 PA, which includes direct costs of \$140,800

FY 2026: \$268,000 for 1.0 PA, which includes direct costs of \$70,400

2. The AGO Civil Rights Division (CRD) has reviewed this bill and determined it will not increase or decrease the division's workload in representing the Human Rights Commission (HRC) or the AGO. The enactment of this bill will not impact the provision of legal services to HRC because the bill imposes no new requirements on HRC. Also, the enactment of this bill will not impact CRD's provision of legal services to the AGO because the bill assigns no required civil rights enforcement duties to the AGO. Therefore, no costs are included in this request.

3. The AGO Solicitor General Office Division (SGO) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

4. The AGO Government Compliance & Enforcement Division (GCE) has reviewed this bill and determined it will not increase or decrease the division's workload. GCE provides legal advice to the Office of the State Auditor (SAO). This bill would establish a task force to report on identified issues related to the use of Artificial Intelligence (AI) systems in state and local government and the private sector and its membership would include one member representing the SAO. Enactment of this bill will not generate or impact the provision of legal services to SAO because the issues the task force will address are general policy issues that are not related to any specific authorities or activities of the SAO.

GCE also provides enforcement support to the Criminal Justice Training Commission (CJTC), and legal advice to the Office of Equity (OOE) and Human Rights Commission (HUM). While the task force may address general policy issues related to law enforcement use of AI, racial equity, and civil rights, enactment of this bill will not generate or impact the provision of legal services to any of these clients because they are not identified members of the task force and the general policy issues are not related to any specific authorities or activities of CJTC, OOE or HUM. Therefore, no costs are included in this request.

5. The AGO Information Services Division (ISD) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

6. The AGO Revenue and Finance Division (REV) 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 to the Department of Revenue (DOR) because that agency is not impacted by this bill. Additionally, this bill does not appear to require work from any of REV's clients. If REV is asked to participate in the taskforce, costs will be minimal. Such participation appears unlikely under this bill. Therefore, costs are not included in this request.

7. The AGO Transportation and Public Construction (TPC) has reviewed this bill and determined it will not increase or decrease the division's workload in representing Washington Technology Solutions (WaTech). The enactment of this bill will not impact the provision of legal services to WaTech because the agency's role in Section 2 is limited to appointing one member to a task force to assess artificial intelligence systems. It is expected that little or no legal services will be provided

to WaTech under this bill. Therefore, no costs are included in this request.

8. The AGO Ethics Division (ETH) has reviewed this bill and determined it will not increase or decrease the division’s workload. Enactment of this bill will not impact the work of the Executive Ethics Board (EEB) as it does not pertain to the Ethics in Public Service Act (EPSA) or any duties of the EEB. Therefore, no costs are included in this request.

9. The AGO Education Division (EDU) has reviewed this bill and determined it will not increase or decrease the division’s workload in representing Eastern Washington University (EWU), Central Washington University (CWU), Western Washington University (WWU), and The Evergreen State College (TESC). EDU clients do not have a direct supportive role in the implementation of the bill, and legal advice is not anticipated. Therefore, no costs are included in this request.

10. The AGO University of Washington (UOW) has reviewed this bill and determined it will not increase or decrease the division’s workload in representing the University of Washington (UW). The enactment of this bill will not impact the provision of legal services to UW because no legal advice is anticipated to be needed. Therefore, no costs are included in this request.

11. The AGO Washington State University Division (WSU) has reviewed this bill and determined it will not increase or decrease the division’s workload. Therefore, no costs are included in this request.

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	134,000	536,000	670,000	268,000	0
Total \$			134,000	536,000	670,000	268,000	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.7	2.6	1.7	0.7	
A-Salaries and Wages	69,000	276,000	345,000	138,000	
B-Employee Benefits	20,000	82,000	102,000	41,000	
C-Professional Service Contracts	32,000	128,000	160,000	64,000	
E-Goods and Other Services	12,000	48,000	60,000	24,000	
G-Travel	1,000	2,000	3,000	1,000	
Total \$	134,000	536,000	670,000	268,000	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
Management Analyst 5	95,184	0.2	0.6	0.4	0.2	
Policy Analyst - ADM	110,000	0.5	2.0	1.3	0.5	
Total FTEs		0.7	2.6	1.7	0.7	0.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administration (GFS) (ADM)	134,000	536,000	670,000	268,000	
Total \$	134,000	536,000	670,000	268,000	

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: 5838 S SB	Title: AI task force	Agency: 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:

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- 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

Bill Number: 5838 S SB	Title: AI task force	Agency: 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.

Individual State Agency Fiscal Note

Bill Number: 5838 S SB	Title: AI task force	Agency: 227-Criminal Justice Training Commission
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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: Brian Elliott	Phone: 206-835-7337	Date: 01/24/2024
Agency Approval: Brian Elliott	Phone: 206-835-7337	Date: 01/24/2024
OFM Review: Danya Clevenger	Phone: (360) 688-6413	Date: 01/26/2024

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 has no fiscal impact on the Criminal Justice Training Commission.

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.

This bill has no cash receipt impact.

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 has no expenditure impact.

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: 5838 S SB	Title: AI task force	Agency: 350-Superintendent of Public Instruction
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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: Troy Klein	Phone: (360) 725-6294	Date: 01/28/2024
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 01/28/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 01/28/2024

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.

SSB 5838 changes from SB 5838: Section 2 of the substitute bill establishes an executive committee, and the Office of the Superintendent of Public Instruction (OSPI) is not a member of that committee.

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.

No cash receipt impact to OSPI.

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.

OSPI expenditure impact:

Based on the language in the bill, OSPI is not a member of the Section 2 executive committee, and the bill would have no expenditure impact.

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

No capital budget impact to OSPI.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.