

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2437 S HB	<b>Title:</b> Retirement savings	<b>Agency:</b> 102-Department of Financial Institutions
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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	0.3	1.2	0.7	0.1	0.0
<b>Account</b>					
Financial Services Regulation Account-Non-Appropriated 300 -6	37,124	163,187	200,311	14,850	0
<b>Total \$</b>	37,124	163,187	200,311	14,850	0

In addition to the estimates above, there are additional indeterminate costs 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.

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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 legislation establishes the Washington Retirement Futures Task Force to address the administrative structure and implementation needs for creating a state administered retirement program for private sector employers and employees. Section 1 (i) (4) states that staff support for the task force is provided by the Department of Financial Institutions (DFI).

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.

To provide support to the task force created in this legislation, DFI is estimating that 1.0 Full Time Employee (FTE) will be needed starting in April 2024. This FTE will be in the position of a Financial Legal Examiner 4. Duties to be covered by the Financial Legal Examiner include providing support to the task force as it studies the performance of the Washington Small Business Retirement Marketplace, evaluates the feasibility of and requirements for a state administered retirement program, and prepares a report on its findings. Duties of the Financial Legal Examiner in this role will expire August 1, 2025.

In addition to the agency's staffing resources, DFI anticipates potential expenditures to hire outside legal experts on retirement laws or other consultants. The level of need for outside expert resources for this is not yet known and therefore is indeterminate.

Administrative overhead is calculated at 15% of program FTEs using a Program Specialist 4 as a representative position.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
300-6	Financial Services Regulation Account	Non-Appropriated	37,124	163,187	200,311	14,850	0
Total \$			37,124	163,187	200,311	14,850	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	1.2	0.7	0.1	
A-Salaries and Wages	25,131	110,682	135,813	10,052	
B-Employee Benefits	8,065	35,380	43,445	3,227	
C-Professional Service Contracts					
E-Goods and Other Services	2,678	12,125	14,803	1,071	
G-Travel	250	1,000	1,250	100	
J-Capital Outlays	1,000	4,000	5,000	400	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	37,124	163,187	200,311	14,850	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### 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
Financial Legal Examiner 4	100,524	0.3	1.0	0.6	0.1	
Program Specialist 4	67,720		0.2	0.1		
<b>Total FTEs</b>		0.3	1.2	0.7	0.1	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.*