

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1934 S HB	<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	.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	668,000	668,000	668,000	.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	Fiscal note not available											
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
<b>Total \$</b>	<b>1.7</b>	<b>668,000</b>	<b>668,000</b>	<b>668,000</b>	<b>0.7</b>	<b>268,000</b>	<b>268,000</b>	<b>268,000</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	.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	Fiscal note not available								
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
<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

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3973	<b>Date Published:</b> Preliminary 2/ 8/2024
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1934 S HB	<b>Title:</b> AI task force	<b>Agency:</b> 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: Michelle Rusk	Phone: 360-786-7153	Date: 02/01/2024
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/06/2024
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 02/06/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/06/2024

## 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.*

Substitute HB 1934 removes the requirement that a member representing the office of the Governor be appointed to the task force. The bill also now includes an emergency clause. With these changes, there is still no fiscal impact to the Office of the Governor.

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 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

<b>Bill Number:</b> 1934 S HB	<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: Michelle Rusk	Phone: 360-786-7153	Date: 02/01/2024
Agency Preparation: Charleen Patten	Phone: 564-999-0941	Date: 02/06/2024
Agency Approval: Janel Roper	Phone: 564-999-0820	Date: 02/06/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/06/2024

## 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 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) in the original bill defines the members of the task force including one member representing the state auditor. The substitute house bill no longer includes a representative from the state auditor.

Based on the language in this bill, there is no fiscal impact.

### 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> 1934 S HB	<b>Title:</b> AI task force	<b>Agency:</b> 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
<b>Account</b>					
General Fund-State 001-1	133,000	535,000	668,000	268,000	0
<b>Total \$</b>	133,000	535,000	668,000	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: Michelle Rusk	Phone: 360-786-7153	Date: 02/01/2024
Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 02/06/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/06/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/07/2024

## 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.

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. Lists specific members to be appointed by Attorney General's Office (AGO), to include the following that may require Assistant Attorney General (AAG) time and input: AGO representative, Washington Technology Solutions (WaTech) representative, two members representing public sector and government, two members from universities with expertise, one member representing law enforcement. Outlines meeting administrative details. 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, and providing recommendations on specific issues. The first meeting is within 45 days of appointments and preliminary report is due by December 31, 2024, the interim report is due by July 1, 2025, the final report is due by November 1, 2025. Administrative and reimbursement details, diversity and inclusions details, and including application of RCW43.03.220. Expires June 30, 2027.

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:

During FY 2024, ADM assumes the enactment of this bill will require 0.5 Policy Analyst FTE (PA), along with additional funding for consultation. ADM assumes costs for the last quarter of FY 2024. During FY 2025, ADM assumes 2.0 PA, along with additional funding for stipends and consultation. During FY 2026, ADM assumes 50 percent of the PA from FY

2025 will be needed in FY 2026 with the final report due November 1, 2025. ADM assumes the PA will be required 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 2025, ADM estimates stipends for participation in task force meetings and subcommittee meetings. \$12,800 is assumed for four subcommittee meetings, \$128,000 for a consultant for data analysis and advanced legal questions in the realm of AI. During FY 2026, ADM assumes \$6,400 for four subcommittee meetings 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: \$133,000 for 0.5 PA, which includes direct costs of \$35,200

FY 2025: \$535,000 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. The enactment of this bill will not impact the provision of legal services to the Human Rights Commission (HRC) because the bill imposes no new requirements on HRC. 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 Transportation and Public Construction (TPC) 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 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 as it does not pertain to the Ethics in Public Service Act or any duties of ETH. 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 Government Compliance and Enforcement Division (GCE) has reviewed this bill and determined it will not increase or decrease the division’s workload. This bill would establish a task force to study and report on identified issues related to the use of AI systems in the public and private sectors. This version of the bill revises the membership of the task force and none of GCE’s clients are identified as members. Enactment of this bill would not generate or impact the provision of legal services to any GCE clients because the issues the task force will address are general policy issues that are not related to any specific authorities or activities of GCE clients. Therefore, no costs are included in this request.

7. The AGO Revenue and Finance Division (REV) has reviewed this bill and determined it will not increase or decrease the division’s workload in representing the Department of Revenue (DOR). The enactment of this bill will not impact the provision of legal services to DOR. Additionally, this bill does not require work from any of REV’s clients. Therefore, no costs are included in this request.

8. The AGO Solicitor General’s Office (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.

### 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	133,000	535,000	668,000	268,000	0
<b>Total \$</b>			133,000	535,000	668,000	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	35,000	128,000	163,000	64,000	
E-Goods and Other Services	9,000	35,000	44,000	18,000	
G-Travel		14,000	14,000	7,000	
<b>Total \$</b>	133,000	535,000	668,000	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	
<b>Total FTEs</b>		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
Headquarters Administration (ADM)	133,000	535,000	668,000	268,000	
<b>Total \$</b>	133,000	535,000	668,000	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

<b>Bill Number:</b> 1934 S HB	<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.*

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- 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: Michelle Rusk	Phone: 360-786-7153	Date: 02/01/2024
Agency Preparation: Lawrence Banks	Phone: (360) 725-4139	Date: 02/05/2024
Agency Approval: Tami Clark	Phone: 360-725-2935	Date: 02/05/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/06/2024

## 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 SHB 1934 and the original bill:

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

Section 2(3) changed from the office of the attorney general may work with the task force to the office of the attorney general office may convene subcommittees that advise the task force.

Section 3 is a new section that this act will take effect immediately.

Summary of SHB 1934:

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(5) the task force must hold it 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.

Section 3 states this act takes 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.*

### 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, the Department assumes it could be a participant in a subcommittee. If this were to occur, 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> 1934 S HB	<b>Title:</b> AI task force	<b>Agency:</b> 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: Michelle Rusk	Phone: 360-786-7153	Date: 02/01/2024
Agency Preparation: Brian Elliott	Phone: 206-835-7337	Date: 02/01/2024
Agency Approval: Brian Elliott	Phone: 206-835-7337	Date: 02/01/2024
OFM Review: Danya Clevenger	Phone: (360) 688-6413	Date: 02/02/2024



## 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

<b>Bill Number:</b> 1934 S HB	<b>Title:</b> AI task force	<b>Agency:</b> 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: Michelle Rusk	Phone: 360-786-7153	Date: 02/01/2024
Agency Preparation: Troy Klein	Phone: (360) 725-6294	Date: 02/04/2024
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 02/04/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 02/04/2024

## 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.*

SHB 1934 changes from HB 1934: Section 2 of the bill makes changes to the task force membership (the Office of the Superintendent of Public Instruction (OSPI) is not specified as a member), and changes meeting and reporting date requirements.

Section 1 is a findings and intent section.

Section 2 (1) Subject to appropriation, 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 (AI).

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

Section 2 (5) Directs the task force to first meet within 45 days of final appointments to the task force, and at least twice each year thereafter. Reports are due to the governor and appropriate committees of the legislature, with a preliminary report due by December 31, 2024, an interim report due by July 1, 2025, and a final report due 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.*

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 this version of the bill, OSPI is not identified as a member of the task force, and there would be no cost 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 anticipated.

## **Part V: New Rule Making Required**

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