

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2271 S HB	<b>Title:</b> LTSS program statements
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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
Department of Revenue	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Social and Health Services	.5	0	0	843,000	1.0	0	0	1,024,000	1.0	0	0	624,000
Employment Security Department	Fiscal note not available											
<b>Total \$</b>	<b>0.5</b>	<b>0</b>	<b>0</b>	<b>843,000</b>	<b>1.0</b>	<b>0</b>	<b>0</b>	<b>1,024,000</b>	<b>1.0</b>	<b>0</b>	<b>0</b>	<b>624,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Employment Security Department	Fiscal note not available								
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

<b>Prepared by:</b> Anna Minor, OFM	<b>Phone:</b> (360) 790-2951	<b>Date Published:</b> Preliminary 2/12/2024
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# Department of Revenue Fiscal Note

<b>Bill Number:</b> 2271 S HB	<b>Title:</b> LTSS program statements	<b>Agency:</b> 140-Department of Revenue
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated 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: Bryan Way	Phone: 60-786-7311	Date: 02/01/2024
Agency Preparation: Kari Kenall	Phone: 60-534-1508	Date: 02/05/2024
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 02/05/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/05/2024

Request # 2271-3-1

## 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.*

Note: This fiscal note reflects language in SHB 2271, 2024 Legislative Session.

#### COMPARISON OF THE SUBSTITUTE BILL WITH THE ORIGINAL BILL:

The substitute bill removes the requirement for the Employment Security Department (ESD) to mail yearly summary to employees with a payroll deduction for the long-term care benefit program (program) and, instead, requires the Department of Social and Health Services (DSHS) to develop a secure internet portal where employees can access their payroll deduction details for the program.

The substitute bill removes the requirement for the ESD to enter into data sharing agreements with the Department of Revenue (department) and any other relevant agency to obtain contact information and other information needed to send the yearly statements.

#### CURRENT LAW:

The DSHS, the ESD, and the Health Care Authority administer a long-term care benefit program to eligible beneficiaries. Washington employees fund the program with a payroll tax.

#### PROPOSAL:

Beginning April 1, 2026, and every April 1 each year after the DSHS must make available through a secure internet portal a yearly statement to each employee who pays a payroll tax for the program. The secure internet portal must be operational no later than January 1, 2026. The statement must include:

- The number of reported hours the employee worked in the previous calendar.
- Whether the employee worked the minimum number of hours required to be a program qualified individual under the program.
- The total number of years the employee has worked the minimum number of hours required to be a qualified individual under the program.
- The projected benefit level for the employee at age 75.
- Program information, including how an individual becomes a qualified individual and eligible beneficiary of the program; the payroll tax process; current payroll tax rates and benefit levels; and how to correct errors reflected in the employee's yearly statement.

This bill requires the statements available through the secure internet portal in 2026 to include the required statement information for calendar years 2023 and 2024.

This bill requires the ESD and the DSHS keep current information on their websites on how employees can access the employee's yearly statement through the secure internet portal.

#### EFFECTIVE DATE:

The bill takes effect 90 days after the final adjournment of the session.

### 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 legislation results in no revenue impact on taxes administered by the department.

## 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 department will not incur any costs with the implementation of this legislation.

## Part III: Expenditure Detail

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

NONE

**III. B - Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

### III. C - 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

## Part V: New Rule Making Required

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2271 S HB	<b>Title:</b> LTSS program statements	<b>Agency:</b> 300-Department of Social and Health Services
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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	0.0	1.0	0.5	1.0	1.0
<b>Account</b>					
Long-Term Services & Supports Trust Acct-State 567-1	0	843,000	843,000	1,024,000	624,000
<b>Total \$</b>	0	843,000	843,000	1,024,000	624,000

### 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: Bryan Way	Phone: 360-786-7311	Date: 02/01/2024
Agency Preparation: Mitchell Close	Phone: 3600000000	Date: 02/07/2024
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/07/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	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.*

This substitute bill adds a new section to chapter 50B.04 RCW requiring the Department of Social and Health Services (DSHS) to provide secure online access to an annual WA Cares Fund program summary statement through a portal. DSHS may use or modify existing systems to create the portal, which must be operational no later than January 1, 2026. The statement must be made available every April 1, beginning April 1, 2026. Data will be provided by the Employment Security Department (ESD). The bill establishes the information the statement must provide, including the hours the employee was reported to have worked and the projected benefit level for the employee at age 75. ESD and DSHS must provide information on their websites on how to access the statements through the portal.

### 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.*

There are no cash receipt impacts to DSHS for this bill.

### 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 requires the DSHS Aging and Long-Term Support Administration (AL TSA) to develop a program summary statement for working Washingtonians and provide secure online access to that statement by 2026. Data will be provided by ESD. The program statement will include individualized information to help people understand where they stand on qualifying for benefits based on their work history. The statement will also include general program information about earning and using benefits and information regarding verifying their program information and correcting errors with ESD.

To complete this work, AL TSA will require 1.0 IT Business Analyst - Journey FTE to lead requirements definition, documentation, test planning, and impact analysis for the Benefits and Application Management System (BAMS) functions. This position will work with stakeholders and the user experience design firm to ensure a supportable and effective design is agreed upon and data to support it is available. After the BAMS roll out, this staff would be responsible for ongoing support and enhancement work for BAMS. This position would start in July 2024.

Total costs for this FTE by year:

- FY25: \$163,000

- FY26 and beyond: \$157,000

In addition to the staff, AL TSA will require additional funds for contracts and other costs to carry out the necessary work in order to develop and maintain BAMS.

- Portal Build and Enhancement: Salesforce is developing BAMS; this legislation requires additional work. Total cost would be \$250,000 split over FY25 and FY26. The contract would start July 2024 and end June 2026.

- Program Statement Design and User Testing: design program statement and conduct user testing. Total cost of \$150,000 in FY25. The contract would start July 2024 and end June 2025.

- Technical Integration Consultant: consultant to provide technical support and to help design, develop, and test the technical integrations required to securely share required data and produce the summary statements. Total cost of \$700,000 over FY25 and FY26. The contract would start July 2024 and end June 2026.

- Product Licenses: annual license costs for Mulesoft and PDF Generator. This would start July 2024 and be \$55,000 per year on an ongoing basis.

- SecureAccess Washington (SAW) / Identity Validation: knowledge-based authentication tool for the population who will create accounts and access benefit statements. This would start in April 2026 and be \$25,000 in FY26 and \$100,000 per year after on an ongoing basis.

Total costs for the contracts and other costs by year:

- FY25: \$680,000
- FY26: \$555,000
- FY27 and beyond: \$155,000

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
567-1	Long-Term Services & Supports Trust Acct	State	0	843,000	843,000	1,024,000	624,000
<b>Total \$</b>			0	843,000	843,000	1,024,000	624,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		1.0	0.5	1.0	1.0
A-Salaries and Wages		107,000	107,000	214,000	214,000
B-Employee Benefits		34,000	34,000	68,000	68,000
C-Professional Service Contracts		625,000	625,000	475,000	
E-Goods and Other Services		67,000	67,000	259,000	334,000
G-Travel					
J-Capital Outlays		6,000	6,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		4,000	4,000	8,000	8,000
9-					
<b>Total \$</b>	0	843,000	843,000	1,024,000	624,000

**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
IT Business Analyst - Journey	107,159		1.0	0.5	1.0	1.0
<b>Total FTEs</b>			1.0	0.5	1.0	1.0

**III. D - Expenditures By Program (optional)**

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Aging and Long-Term Support Administration (050)		843,000	843,000	1,024,000	624,000
<b>Total \$</b>		843,000	843,000	1,024,000	624,000

**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.*

New or amended rules will be needed to implement this legislation.