

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 6069 S SB	<b>Title:</b> Retirement savings
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## Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Office of Attorney General	0	0	0	0	0	30,000	0	0	60,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,000</b>	<b>0</b>	<b>0</b>	<b>60,000</b>

## 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 State Treasurer	2.0	0	0	280,000	2.0	0	0	560,000	2.0	0	0	560,000
Office of Attorney General	.0	0	0	0	.2	0	0	30,000	.3	0	0	60,000
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Administrative Hearings	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	Fiscal note not available											
<b>Total \$</b>	<b>2.0</b>	<b>0</b>	<b>0</b>	<b>280,000</b>	<b>2.2</b>	<b>0</b>	<b>0</b>	<b>590,000</b>	<b>2.3</b>	<b>0</b>	<b>0</b>	<b>620,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.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
Office of Administrative Hearings	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	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

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<b>Prepared by:</b> Anna Minor, OFM	<b>Phone:</b> (360) 790-2951	<b>Date Published:</b> Preliminary 2/17/2024
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6069 S SB	<b>Title:</b> Retirement savings	<b>Agency:</b> 090-Office of State Treasurer
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.0	2.0	2.0	2.0	2.0
<b>Account</b>					
State Treasurer's Service Account-State 404-1	0	280,000	280,000	560,000	560,000
<b>Total \$</b>	0	280,000	280,000	560,000	560,000

### 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:	Phone:	Date: 02/05/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 02/07/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/07/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/08/2024

## 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 6069 creates Washington Saves, an automatic enrollment individual retirement account program.

Section 4 establishes a governing board to design, develop, implement, maintain, and oversee Washington Saves. The State Treasurer serves as the Chair and the Office of the State Treasurer provides staff support.

Section 5 provides that the Office of the State Treasurer must provide staff and administrative support for the governing board. Additionally, the Office may initiate and manage all procurement and regulatory processes related to the program and carry out other related functions as delegated to the governing board.

### 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.*

Section 12 creates the Washington saves administrative treasury trust account, which may only be used for the purposes of administrative and operating expenses of the program established under this bill. Only the state treasurer or state treasurer's designee may authorize expenditures from the account. The account is exempt from appropriation and allotment provisions under chapter 43.88 RCW. The account may receive grants, gifts, or other moneys appropriated for administrative purposes from the state and the federal government.

The governing board must collect administrative fees from individual participants to defray the costs of administering the program. Fee collection would begin after accounts are established under the program, January 1, 2027 at the earliest. Projected fee collections is currently unavailable, therefore the cash receipt impact is indeterminate.

### 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.*

2023-25: The governing board will begin their work to design Washington Saves and OST will provide staff and administrative support for this effort. The Governing Board is:

- directed to meet a minimum of 4 times per year;
  - tasked with going through a request for proposal (RFP) process to interview, select, contract, and manage a 3rd party financial institution investment manager;
  - required to develop and adopt an investment policy statement that will inform the future investment strategy;
  - design the program to be compliant with federal law and achieve a number of other objectives identified in the bill;
  - work with other state agencies identified in the bill to develop a strategy to educate and inform covered employers about their role in the program;
  - adopt rules to govern the program;
  - evaluate the feasibility, costs, and benefits of joining a consortium of other states to implement the auto-IRA program;
- and
- submit an annual report to the legislature providing updates and recommendations related to the program.

The new Office of the State Treasurer staffing needs under this bill would be funded with the State Treasurer Service Account (404):

Program Manager (1 FTE): The Program Manager will be responsible for facilitating the success of the governing board's statutory requirements, as provided in the bill. This includes staffing meetings, participating in the RFP process to select the investment manager, develop the investment policy (research, facilitating a feedback process, drafting), understand the

federal law that Washington Saves needs to be compliant with, guide the program development to meet the objectives in statute, facilitate a process with multiple state agencies to develop the covered employer education program and material, draft program rules, evaluate feasibility of a multi-state consortium, and write an annual report to the legislature. The work will require collaborating with partners across the state and country including stakeholders, other WA state agencies, financial institutions, other states' auto-IRA program staff, and research institutions.

Senior Administrative Assistant (1 FTE): Support the Program Manager in their work to staff the Governing Board, coordinate with external partners, and prepare deliverables.

2025-27 and thereafter, The bill states that Washington Saves needs to be launched no later than January 1, 2027. The OST will continue to provide staff and administrative support to the Governing Board over the life of the program, but the Board & OST staff's work will transition from research and development of Washington Saves to implementation. Depending on how the Governing Board designs the program, the Office of the state Treasurer may need additional staff to manage the Washington Saves program after it is launched.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
404-1	State Treasurer's Service Account	State	0	280,000	280,000	560,000	560,000
<b>Total \$</b>			0	280,000	280,000	560,000	560,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.0	2.0	2.0	2.0	2.0
A-Salaries and Wages		206,000	206,000	412,000	412,000
B-Employee Benefits		61,000	61,000	122,000	122,000
C-Professional Service Contracts		10,000	10,000	20,000	20,000
E-Goods and Other Services		3,000	3,000	6,000	6,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	0	280,000	280,000	560,000	560,000

**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
Program Manager	128,000	1.0	1.0	1.0	1.0	1.0
Senior Administrative Assistant	78,000	1.0	1.0	1.0	1.0	1.0
<b>Total FTEs</b>		2.0	2.0	2.0	2.0	2.0

**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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6069 S SB	<b>Title:</b> Retirement savings	<b>Agency:</b> 100-Office of Attorney General
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1				30,000	60,000
<b>Total \$</b>				30,000	60,000

### Estimated Operating Expenditures from:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.0	0.0	0.2	0.3
<b>Account</b>					
Legal Services Revolving Account-State 405-1	0	0	0	30,000	60,000
<b>Total \$</b>	0	0	0	30,000	60,000

### 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:	Phone:	Date: 02/05/2024
Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 02/09/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/09/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/12/2024

## 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. Washington Saves established. Intent.

Section 2 - New section. Definitions.

Section 3 - New section. General provisions and description of program, eligibility, default provisions, employer requirements, disclosure requirements, contribution information. Employers' role is ministerial, not fiduciary. Governing board of program will determine accounts available. Money placed in accounts may not be counted for means-tested programs.

Section 4 - New section. Governing board (Board) established. Nine members, some with specific qualifications and appointed by the Governor, chaired by the Office of the State Treasurer (OST). Other state agencies will cooperate by providing data, etc. Board meeting and voting provisions. Provides investment directives to the Board. Instructs board to launch the program by January 1, 2027. Requires annual reports to legislative committee(s).

Section 5 - New section. OST shall staff and support.

Section 6 - New section. Responsibilities of investment manager. Operating costs paid by participants in accordance with rules established by Board. Investment manager subject to Board control.

Section 7 - New section. Labor & Industries (L&I) responsible for educating participating employees, investigating and enforcing complaints, establishing appeals process, collecting civil penalties.

Section 8 - New section. Requirements related to complaints, investigations, enforcement applicable to L&I.

Section 9 - New section. L&I to establish right to appeal.

Section 10 - New section. L&I to establish investigations and enforcement processes. Provides subpoena power.

Section 11 - New section. Information about individual or employer is private and confidential, provides details and exceptions.

Section 12 - New section. Treasury trust account created. Interest accrued shall remain in account.

Section 13 - New section. Washington State investment account established as a trust.

### PART II

Section 14 - New section. RCW 43.330.730 is decodified.

Section 15 - Amends RCW 43.330.732 to account for new bill.

Section 16 - Amends RCW 43.330.735 to account for new bill.

### PART III

Section 17 - Amends RCW 43.79A.040 to include new bill and account.

Section 18 - Amends RCW 43.79A.040 to include new bill and account.

#### PART IV

Section 19 - New section. Section 17 expires on July 1, 2030.

Section 20 - New section. Section 17 takes effect July 1, 2024. Section 18 takes effect July 1, 2030.

Section 21 - New section. Sections 1-13 are a new chapter in Title 19 RCW.

Section 22 - New section. De-conflict provision with respect to federal law. Rules adopted must meet federal requirements for receipt of federal funds or federal unemployment tax credits.

Legal services associated with the enactment of this bill will begin on July 1, 2024.

#### **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.*

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is the Department Labor and Industries (L&I). The Attorney General's Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency's fiscal note. Appropriation authority is necessary in the AGO budget.

#### AGO AGENCY ASSUMPTIONS:

L&I will be billed for King County rates:

FY 2027 and in each FY thereafter: \$30,000 for 0.1 Assistant Attorney General FTE (AAG), and 0.1 Paralegal 1 FTE (PL1)

#### **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:

Legal services associated with the enactment of this bill will begin on July 1, 2024 (FY 2025).

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 Labor and Industries Division (LNI) Legal Services for the Department of Labor and Industries (L&I):

The AGO will bill L&I for legal services based on the enactment of this bill.

According to the "Pew report - Recommendations to Increase Retirement Savings in Washington" published by the Department of Commerce (Commerce) in December 2023, an estimated 367,900 (phased-in by year seven) employees will participate in the savings program each year. This bill has two modifications that could potentially impact the total number of participants. Section 2 changes the employer size requirement by allowing both full-time and part-time employees count towards the employer size based on the total number of hours worked by all employees divided by 2,080. Section 2 also allows an employer to be exempt from the Washington Saves program with a qualifying plan that doesn't provide access to retirement savings until after the first year of employment. Both provisions have the potential to slightly decrease the number of employers who participate in the Washington Saves program and therefore slightly decrease the number of participants.

In addition to investigating complaints from employees who choose to participate in the savings program, L&I also has the authority to investigate complaints from employees who did not opt into the savings program, but their employer incorrectly deducted from their wages or failed to provide required notifications etc. For this reason, L&I assumes the pool of potentially impacted workers would be 25 percent higher than the estimated 367,900 employees participating in the program.  $(367,900 \times 0.25 = 91,975 \text{ additional impacted workers})$   $(367,900 + 91,975 = 459,875 \text{ total impacted workers})$ .

In 2023 there were 7,938 wage and hour complaints filed. Based on 3,520,246 workers in Washington State  $(7,938 / 3,520,246 = 0.2)$  equaling 0.2 percent. However, for 2023 looking only at administrative violations (AV) and unlawful deduction violations, there were approximately 1,520 AV complaints (rounded to 2,000 to also include unlawful deduction complaints)  $(2,000 / 3,520,246 = 0.05 \text{ percent})$  0.05 percent complaint rate. Based off this estimate this bill may impact  $459,875 \text{ workers} \times 0.05 \text{ percent filing complains} = 230 \text{ new complaints beginning January 1, 2027}$ . However, there will be a delay for most appeals until January 1, 2029, because the bulk of AV will not be cited during the first two-year period. Unlawful deductions will be enforced as wage payment requirements before January 1, 2027, but the bill directs a two-year education period for AV. Beginning January 1, 2029 L&I will cite AV, which will be the bulk of 230 complaints.

Based on historical citation average, approximately 14 percent will result in an appealable order, and will go to citation per year and with a historical appeal rate of 20 percent, six or seven cases per year will go to Office of Administrative Hearings (OAH) beginning in 2028 and be litigated by AAGs. Appeals of this complexity generally require 0.1 AAG per five appeals. Using figures based on current AAG for employment standards appeals, LNI estimates this will require a total of 0.1 AAG starting July 1, 2026 until July 1, 2028 for implementation client advice and the initial wage violations and then 0.1 AAG ongoing beginning January 1, 2029 to address litigation for all violations. FY 2025 and FY 2026 legal services are nominal and costs are not included in this request.

LNI: Total King County workload impact:

FY 2027 and in each FY thereafter: \$30,000 for 0.1 AAG and 0.1 PL1

2. The AGO Agriculture & Health Division (AHD) has reviewed this bill and determined it will not increase or decrease the division's workload in representing the Department of Commerce (Commerce). The changes to existing Commerce statutes for the Small Business Retirement Marketplace (SBRM) in Sections 14, 15, and 16 make negligible changes to the existing SBRM and will not require legal advice or new legal services. Changes in Sections 15 and 16 remove a requirement for an Individual Retirement Account (IRA) offering in the SBRM that will simplify program administration. Therefore, no costs are included in this request.

3. 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 Office of the State Treasurer (OST). Therefore, no costs are included in this request.

4. 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.

5. The AGO Administrative Division (ADM) 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
405-1	Legal Services	State	0	0	0	30,000	60,000
	Revolving Account						
<b>Total \$</b>			0	0	0	30,000	60,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years				0.2	0.3
A-Salaries and Wages				21,000	42,000
B-Employee Benefits				6,000	12,000
E-Goods and Other Services				3,000	6,000
<b>Total \$</b>	0	0	0	30,000	60,000

**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
Assistant Attorney General-Seattle	135,555				0.1	0.1
Management Analyst 5	95,184				0.1	0.1
Paralegal 1-Seattle	72,528				0.1	0.1
<b>Total FTEs</b>					0.2	0.3

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

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Labor & Industries Division (LNI)				30,000	60,000
<b>Total \$</b>				30,000	60,000

**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> 6069 S SB	<b>Title:</b> Retirement savings	<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:	Phone:	Date: 02/05/2024
Agency Preparation: Chad Johnson	Phone: 360-725-5028	Date: 02/13/2024
Agency Approval: Chad Johnson	Phone: 360-725-5028	Date: 02/13/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/13/2024

## 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 Senate Bill 6069 does not change the non-fiscal impact from the original bill:

SB 6069 is determined to have no fiscal impact to the department. The changes proposed to Part II Retirement Marketplace are policy updates that do not affect the operational costs to the department. Sec. 15 (3) modifies the eligible employer definition to an employer with at least 1 qualified employee.

### 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.*

Substitute Senate Bill 6069 does not change the non-fiscal impact from the original bill:

SB 6069 is determined to have no fiscal impact to the department. The changes proposed to Part II Retirement Marketplace are policy updates that do not affect the operational costs to the department. Sec. 15 (3) modifies the eligible employer definition to an employer with at least 1 qualified employee.

## 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> 6069 S SB	<b>Title:</b> Retirement savings	<b>Agency:</b> 110-Office of Administrative Hearings
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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:	Phone:	Date: 02/05/2024
Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 02/08/2024
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 02/08/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/09/2024

## 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.*

No fiscal impact through FY 2029. This legislation will not measurably increase the appeal workload for the Office of Administrative Hearings.

This bill creates appeal rights for employers' noncompliance with either administrative duties or for impermissible withholdings due to employees under the Wage Payment Act.

Sections 7 and 8 require the Department of Labor and Industries (L&I) to investigate complaints of employer noncompliance with administrative duties under the Washington Saves Act, and issue citations and penalties which may be appealed. There will be an educational period for the first two years, during which L&I may not assess civil penalties.

Section 8 calls for L&I to issue citations and assess civil penalties for willful violations after the first two years.

Under Section 9, these citations may be appealed to the Office of Administrative Hearings.

### 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.*

Beginning in FY 2030, the Office of Administrative Hearings assumes recovery of \$16,000 per FY for referrals from the Department of Labor and Industries.

### 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.*

Beginning in FY 2030, the Office of Administrative Hearings assumes expenditures of \$16,000 per FY, and 0.1 FTE Administrative Law Judge, for referrals from the Department of Labor and Industries.

## 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.*



# Multiple Agency Ten-Year Analysis Summary

<b>Bill Number</b>	<b>Title</b>
6069 S SB	Retirement savings

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

## Estimated Cash Receipts

Office of State Treasurer Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Department of Commerce	0	0	0	0	0	0	0	0	0	0	0
Office of Administrative Hearings	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>										



# Ten-Year Analysis

<b>Bill Number</b> 6069 S SB	<b>Title</b> Retirement savings	<b>Agency</b> 090 Office of State Treasurer
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

**No Cash Receipts**
                         
  **Partially Indeterminate Cash Receipts**
                         
  **Indeterminate Cash Receipts**

## Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
<b>Total</b>												

### Biennial Totals

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Projected fee collections is currently unavailable, therefore the cash receipt impact is indeterminate.

Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 2/7/2024 2:13:12 pm
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 2/7/2024 2:13:12 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 6069 S SB	<b>Title</b> Retirement savings	<b>Agency</b> 100 Office of Attorney General
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

**No Cash Receipts**                       **Partially Indeterminate Cash Receipts**                       **Indeterminate Cash Receipts**

<b>Name of Tax or Fee</b>	<b>Acct Code</b>												
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Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 2/9/2024 4:36:51 pm
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 2/9/2024 4:36:51 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 6069 S SB	<b>Title</b> Retirement savings	<b>Agency</b> 103 Department of Commerce
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

**No Cash Receipts**       **Partially Indeterminate Cash Receipts**       **Indeterminate Cash Receipts**

<b>Name of Tax or Fee</b>	<b>Acct Code</b>												
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Agency Preparation: Chad Johnson	Phone: 360-725-5028	Date: 2/13/2024 1:40:32 pm
Agency Approval: Chad Johnson	Phone: 360-725-5028	Date: 2/13/2024 1:40:32 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 6069 S SB	<b>Title</b> Retirement savings	<b>Agency</b> 110 Office of Administrative Hearings
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

**No Cash Receipts**                       **Partially Indeterminate Cash Receipts**                       **Indeterminate Cash Receipts**

<b>Name of Tax or Fee</b>	<b>Acct Code</b>												
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Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 2/8/2024 4:40:06 pm
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 2/8/2024 4:40:06 pm
OFM Review:	Phone:	Date: