

Multiple Agency Fiscal Note Summary

Bill Number: 6069 E S SB	Title: 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
Department of Labor and Industries	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	30,000	0	0	60,000

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 Secretary of State	.0	0	0	0	.0	0	0	0	.0	0	0	0
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
Office of Minority and Women's Business Enterprises	.2	36,934	36,934	36,934	.3	82,276	82,276	82,276	.3	82,276	82,276	82,276
Department of Labor and Industries	.7	183,000	183,000	183,000	2.5	1,031,000	1,031,000	1,031,000	4.8	1,126,000	1,126,000	1,126,000
Total \$	2.9	219,934	219,934	499,934	5.0	1,113,276	1,113,276	1,703,276	7.4	1,208,276	1,208,276	1,828,276

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
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
Office of Minority and Women's Business Enterprises	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

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Prepared by: Amy Hatfield, OFM	Phone: (360) 280-7584	Date Published: Final 2/23/2024
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Individual State Agency Fiscal Note

Bill Number: 6069 E S SB	Title: Retirement savings	Agency: 085-Office of the Secretary of State
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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: 02/13/2024
Agency Preparation: Bonnie Luntzel	Phone: 360-570-5575	Date: 02/14/2024
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 02/14/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/14/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The bill creates an automatic enrollment individual retirement savings account program. Expands the Washington Small Business Retirement Marketplace to include employers with at least one eligible employee.

Section 4

Directs the governing board to consult with The Office of the Secretary of State and other entities to create a strategy to educate and inform covered employers about employer administrative duties.

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.

OSOS assumes that the consultation will take minimal staff time and can be absorbed within existing resources. No fiscal impact.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 6069 E S SB	Title: Retirement savings	Agency: 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
Account					
State Treasurer's Service Account-State 404-1	0	280,000	280,000	560,000	560,000
Total \$	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: 02/13/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 02/13/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/13/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/14/2024

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.

ESSB 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
Total \$			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-					
Total \$	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
Total FTEs		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

Bill Number: 6069 E S SB	Title: Retirement savings	Agency: 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
Total \$				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
Account					
Legal Services Revolving Account-State 405-1	0	0	0	30,000	60,000
Total \$	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: 02/13/2024
Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 02/15/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/15/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/17/2024

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.

PART I

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.

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 x 0.25 = 91,975 additional impacted workers) (367,900 + 91,975 = 459,875 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 percent) 0.05 percent complaint rate. Based off this estimate, this bill may impact 459,875 workers x 0.05 percent filing complains = 230 new complaints beginning January 1, 2027. However, there will be a delay for most appeals until January 1, 2030, 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.

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 Revolving Account	State	0	0	0	30,000	60,000
Total \$			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
Total \$	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
Total FTEs					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
Total \$				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

Bill Number: 6069 E S SB	Title: Retirement savings	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- 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: 02/13/2024
Agency Preparation: Chad Johnson	360-725-5028	Date: 02/23/2024
Agency Approval: Chad Johnson	360-725-5028	Date: 02/23/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/23/2024

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.

Engrossed 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.

Engrossed 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

Bill Number: 6069 E S SB	Title: Retirement savings	Agency: 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: 02/13/2024
Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 02/16/2024
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 02/16/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/17/2024

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.

As with the SSB, 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.

Under Section 8, L&I may not assess civil penalties relative to complaints filed before January 1, 2030. Relative to complaints filed on or after January 1, 2030, Section 8 allows L&I to issue citations and assess civil penalties for willful violations.

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.

Individual State Agency Fiscal Note

Bill Number: 6069 E S SB	Title: Retirement savings	Agency: 147-Office of Minority and Women's Business Enterprises
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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	0.3	0.2	0.3	0.3
Account					
General Fund-State 001-1	0	36,934	36,934	82,276	82,276
Total \$	0	36,934	36,934	82,276	82,276

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: 02/13/2024
Agency Preparation: Ian Shelley	Phone: (360) 407-2243	Date: 02/16/2024
Agency Approval: Ian Shelley	Phone: (360) 407-2243	Date: 02/16/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/18/2024

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.

ESSB 6069 establishes a governing board within the office of the state treasurer and establishes the Washington Saves Program to be administered by the that board. Among others, the composition of the board includes one member representing covered employers.

New section 4(10)(d) requires that the governing board must consult with the Office of Minority and Women's Business Enterprises (OMWBE) and others to create a strategy to educate and inform covered employers about required employer administrative duties. In order to consult with the governing board on culturally competent methods of outreach and education with diverse communities, OMWBE anticipates that this will require 0.3 FTE at the Management Analyst 4 level

This results in a fiscal impact of \$36,934 in fiscal year 25 and a fiscal impact of \$41,138 in each of fiscal year 26 through fiscal year 29. See attachment for detail.

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.

New section 4(10)(d) requires that the governing board must consult with the Office of Minority and Women's Business Enterprises (OMWBE) and others to create a strategy to educate and inform covered employers about required employer administrative duties. In order to consult with the governing board on culturally competent methods of outreach and education with diverse communities, OMWBE anticipates that this will require 0.3 FTE at the Management Analyst 4 level

This results in a fiscal impact of \$36,934 in fiscal year 25 and a fiscal impact of \$41,138 in each of fiscal year 26 through fiscal year 29. See attachment for detail.

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	0	36,934	36,934	82,276	82,276
Total \$			0	36,934	36,934	82,276	82,276

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.3	0.2	0.3	0.3
A-Salaries and Wages		26,638	26,638	53,276	53,276
B-Employee Benefits		8,986	8,986	17,972	17,972
C-Professional Service Contracts					
E-Goods and Other Services		1,310	1,310	11,028	11,028
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-					
Total \$	0	36,934	36,934	82,276	82,276

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 4	86,208		0.3	0.2	0.3	0.3
Total FTEs			0.3	0.2	0.3	0.3

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.

Estimated New Employee Costs

Summary	FY24	FY25	FY26	FY27	FY28	FY29
Salary	\$0	\$26,638	\$26,638	\$26,638	\$26,638	\$26,638
Benefits	\$0	\$8,986	\$8,986	\$8,986	\$8,986	\$8,986
Goods & Services	\$0	\$1,310	\$1,760	\$1,760	\$1,760	\$1,760
Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Central Services	\$0	\$0	\$3,753	\$3,753	\$3,753	\$3,753
TOTALS	\$0	\$36,934	\$41,138	\$41,138	\$41,138	\$41,138

Salaries: (A)	Range	Salary/mo	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
MA4		\$7,184	0.0	\$0	0.3	\$26,638	0.3	\$26,638	0.3	\$26,638
Position 2		\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Total Salary			0.0	\$0	0.3	\$26,638	0.3	\$26,638	0.3	\$26,638

Benefits: (B)	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
OASI	6.20%		\$0		\$1,652		\$1,652		\$1,652
Retirement (PERS employer rate 9/1/22)	9.53%		\$0		\$2,539		\$2,539		\$2,539
Industrial Insurance									
Class 4902 - Office Workers	\$420	0.0	\$0	0.3	\$126	0.3	\$126	0.3	\$126
Health Insurance (FY24 \$1,145/mo, FY25 \$1,190/mo.)	\$1145/\$1190	0.0	\$0	0.3	\$4,284	0.3	\$4,284	0.3	\$4,284
Medicare	1.45%		\$0		\$386		\$386		\$386
Total Benefits			\$0		\$8,986		\$8,986		\$8,986

Goods & Services:	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
Supplies (EA)	\$400	0.0	\$0	0.3	\$120	0.3	\$120	0.3	\$120
Communications (EB)									
Phone Line	\$540	0.0	\$0	0.3	\$162	0.3	\$162	0.3	\$162
Switched Long Distance Service	\$125	0.0	\$0	0.3	\$38	0.3	\$38	0.3	\$38
Voice Mail	\$54	0.0	\$0	0.3	\$16	0.3	\$16	0.3	\$16
Other (cell phone, pager, etc.)	\$1,080	0.0	\$0	0.3	\$324	0.3	\$324	0.3	\$324
Printing (Business Cards) (EF)	\$25	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Training (EG)	\$1,000	0.0	\$0	0.3	\$300	0.3	\$300	0.3	\$300
Data Processing (EL)									
Internet - VPN Soft/Cert	\$108	0.0	\$0	0.3	\$32	0.3	\$32	0.3	\$32
Network/Desktop/Phone Support	\$0	0.0	\$0	0.3	\$0	0.3	\$0	0.3	\$0
Email, Vault license & Filtering	\$78	0.0	\$0	0.3	\$23	0.3	\$23	0.3	\$23
Vault Storage - 2GB per person	\$30	0.0	\$0	0.3	\$9	0.3	\$9	0.3	\$9
Payroll Processing	\$240	0.0	\$0	0.3	\$72	0.3	\$72	0.3	\$72
Personnel Service Fee (EN-0001)	0.8%		\$0		\$213		\$213		\$213
Software Licenses (EY)	\$1,500	0.0	\$0	0.0	\$0	0.3	\$450	0.3	\$450
One-time Costs:									
Internet - VPN - One time set up fee (EL)	\$180	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Phone Line/Data Cable Installation (ER)	\$300	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Total Goods & Services			\$0		\$1,310		\$1,760		\$1,760

Central Services	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
Small Agency Human Resources (EN)	\$1,670	0.0	\$0	0.0	\$0	0.3	\$501	0.3	\$501
Small Agency Financial Services (EK)	\$2,435	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Public & Historic Facilities (EK) (if new FTE)	\$94	0.0	\$0	0.0	\$0	0.3	\$28	0.3	\$28
Office of Chief Information Officer (EL)	\$75	0.0	\$0	0.0	\$0	0.3	\$23	0.3	\$23
State Data Network (EL)	\$132	0.0	\$0	0.0	\$0	0.3	\$40	0.3	\$40
State Data Center (EL)	\$183	0.0	\$0	0.0	\$0	0.3	\$55	0.3	\$55
Enterprise Systems Rates (EL)	\$377	0.0	\$0	0.0	\$0	0.3	\$113	0.3	\$113
Enterprise Security (EL)	\$44	0.0	\$0	0.0	\$0	0.3	\$13	0.3	\$13
WaTech Network/Desktop/Phone Support (EL)	\$9,661	0.0	\$0	0.0	\$0	0.3	\$2,898	0.3	\$2,898
Real Estate Services (EK)	\$86	0.0	\$0	0.0	\$0	0.3	\$26	0.3	\$26
DES Risk Management Fee (EP)	\$45	0.0	\$0	0.0	\$0	0.3	\$14	0.3	\$14
OFM Central Services (ER)	\$144	0.0	\$0	0.0	\$0	0.3	\$43	0.3	\$43
Total Central Services			\$0		\$0		\$3,753		\$3,753

Equipment: (J)	Rate	# Needed	FY 2024	# Needed	FY 2025	# Needed	FY 2026	# Needed	FY 2027
Desk	\$1,938	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Desk Chair	\$545	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Side Chair	\$235	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
File Cabinet	\$332	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Bookcase	\$300	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Laptop w/Dock, Cable, Mouse, Keyboard	\$2,000	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Phone	\$155	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$0
Total Equipment			\$0		\$0		\$0		\$0

Individual State Agency Fiscal Note

Bill Number: 6069 E S SB	Title: Retirement savings	Agency: 235-Department of Labor and Industries
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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	0.3	1.1	0.7	2.5	4.8
Account					
General Fund-State 001-1	44,000	139,000	183,000	1,031,000	1,126,000
Total \$	44,000	139,000	183,000	1,031,000	1,126,000

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: 02/13/2024
Agency Preparation: Rachel Reed	Phone: 360-902-4552	Date: 02/16/2024
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 02/16/2024
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/17/2024

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.

See attached.

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.

See attached.

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.

See attached.

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	44,000	139,000	183,000	1,031,000	1,126,000
Total \$			44,000	139,000	183,000	1,031,000	1,126,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	1.1	0.7	2.5	4.8
A-Salaries and Wages	23,000	95,000	118,000	392,000	696,000
B-Employee Benefits	8,000	33,000	41,000	144,000	264,000
C-Professional Service Contracts				85,000	
E-Goods and Other Services	3,000	11,000	14,000	367,000	158,000
G-Travel				3,000	8,000
J-Capital Outlays	10,000		10,000	40,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	44,000	139,000	183,000	1,031,000	1,126,000

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
Administrative Regulations Analyst 4	88,416	0.3	1.0	0.6	1.0	1.0
Communications Consultant 2	90,624				0.3	0.5
Customer Service Specialist 2	48,864				0.4	1.0
Fiscal Analyst 5	74,376		0.1	0.1	0.2	0.3
Industrial Relations Agent 2	69,072				0.8	2.0
Total FTEs		0.3	1.1	0.7	2.5	4.8

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.

Part II: Explanation

This bill establishes "Washington Saves", an automatic enrollment individual retirement savings account program to serve as a vehicle through which covered employees may, on a voluntary basis, provide for additional retirement security through a state-facilitated retirement savings program.

ESSB 6069 is different from SSB 6069 in that:

- **Section 2(5)(d)** modifies part of the definition of covered employer from at any point during the immediately preceding calendar year "... employed five or more full-time equivalent employees" to "... employed employees working a combined minimum of 10,400 hours."
- **Section 8(2)(b)** modifies description of the date the department will begin enforcing employer penalties for violations from "after the first two years of when the program applies to a covered employer" to "on or after January 1, 2030."
- **Section 8(4)(b)** specifies a maximum penalty for a second willful violation of \$250, in addition to a \$100 maximum penalty for the first willful violation and a \$500 maximum penalty for each subsequent willful violation.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 2 defines "covered employer" as an employer that has been in business in this state for at least two years as of the immediately preceding calendar year; maintains a physical presence; does not offer a qualified retirement plan to their covered employees who have had continuous employment of one year or more; and employs, and at any point during the immediately preceding calendar year employed, employees working a combined minimum of 10,400 hours.

Section 4 establishes governing board retirement savings program responsibilities. Section 4(10)(e) specifies that the governing board is responsible for launching the retirement savings program by January 1, 2027.

Section 7 establishes the responsibilities of the Department of Labor and Industries (L&I) retirement savings program responsibilities. The department has the following responsibilities related to covered employers, as provided in this chapter:

- Educate participating employers of their administrative duties under this chapter;
- Investigate complaints, in the case of noncompliance with employer administrative duties and educate employers about how to come into compliance;
- Issue citations and collect penalties, in the case of willful violations. Unlawful deductions will be subject to enforcement under the wage payment requirement defined in RCW 49.48.082.
- Facilitate a process in which employers may appeal complaints;
- Collection of unpaid citations assessing civil penalties under RCW 49.48.086.

Section 8 establishes L&I's role in investigating complaints, responding to violations, and assessing civil penalties relating to employer compliance with administrative duties. The section specifies different actions L&I shall take in the case of filing a complaint before January 1, 2030, after January 1, 2030 when the willful violation penalties apply to the covered employee, and establishes a three-year statute of limitations on complaints. The section also specifies that L&I cannot assess a civil penalty if the employer relied on a rule, a written order, interpretive or administrative policy, may waive or reduce a civil penalty, and shall deposit all civil penalties paid under this section to the supplemental pension fund under RCW 51.44.033.

Section 9 establishes L&I's responsibilities in relation to administrative citation appeals. The person, firm, or corporation, under RCW 34.05, may appeal the citation and notice of assessment to the director of the department by filing a notice of appeal with the director within 30 days of the department's issuance of the citation and notice of assessment.

Section 10 establishes L&I's responsibilities in relation to enforcement of amounts due in the case where an employer impermissibly withholds any amounts due the employee. And establishes that employers withholding amounts due to employees is a violation of the Wage Payment Act as defined in RCW 49.48.082. This section also authorizes L&I to:

- Investigate similarly situated employees if they find a violation.

- Authorizes an estimated audit in a companywide investigation.
- Issue subpoenas and require a self-audit made available to the department on request.

II. B – Cash Receipt Impact

Receivables – Operating

The proposed bill requires civil penalties received by L&I to be deposited in the Supplemental Pension Fund, fund 881. L&I does not have data to determine how many civil penalties will be assessed. The cash receipts are indeterminate.

II. C – Expenditures

Appropriated – Operating Costs

This bill increases expenditures to General Fund-State, fund 001. The following assumptions were used to estimate the resources requested to implement this bill.

Resource for this bill are based on the Department of Commerce’s report to the Legislature, [Pew Report – Recommendations to Increase Retirement Savings in Washington](#).

This Department of Commerce report estimates that the number of participating employees would gradually increase to an estimated 367,900 employees once the program is active for seven years. L&I believes the Industrial Relations Agent 2, Revenue Agent 2, and Customer Service Specialist 2 FTEs would need to be hired three months prior to the anticipated effective date of the savings program (January 1, 2027) in order to be trained and assist with the development of standard work processes and other investigative tools needed to effectively investigate these new complaint types.

Staffing

2.0 FTE, Industrial Relations Agent 2 (IRA2), permanent starting October 1, 2026. Duties include enforcing the Industrial Welfare Act, Minimum Wage Act and overtime, the Wage Payment Act, and other related statutes, investigating routine wage disputes, providing assistance to higher level Industrial Relations Agents on more complex investigations and/or disputes, and issuing notices of violation, notices of infraction, citations, and assessments.

- According to the “Pew report — Recommendations to Increase Retirement Savings in Washington” published by the Department of Commerce in December 2023, an estimated **367,900** employees will participate in the savings program each year once the program is active for seven years. 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 report’s estimated 367,900 employees participating in the program.
 - $367,900 \times .25 = 91,975$ additional employees participating in the program
 - $367,900 + 91,975 = 459,875$ total employees participating in the program
- In 2023, the Administrative (AV) and Unlawful deduction violation complaint rate was approximately .0005 or .05% ($1,520$ AV rounded up to $2,000$ to include unlawful deduction complaints / $3,520,246$ workers = .0005 or .05%).
- L&I estimates that this bill would result in 230 new complaints per year ($456,063$ employees participating in the new retirement savings plan \times .05% complaint rate = 230 new complaints).
- One IRA2 FTE can handle 200 total complaints per year.
- 1.2 IRA2 FTEs will be needed to handle the 230 new complaints per year (230 new complaints / 200 complaints investigated by an IRA2 per year = 1.2 FTEs).
- 14 percent of complaints are anticipated to result in citations, based on historical wage complaint citation rates.
- 32 additional annual citations are anticipated as a result of the new retirement savings plan (230 new complaints \times 14% of all complaints estimated to result in a citation = 32 new citations).
- 1.0 IRA2 FTE is required for every 200 citations/determinations.
- 0.2 IRA2 FTE is required to process the 32 new citations (32 new citations / 200 citations per 1.0 FTE IRA2 = 0.2 IRA2 FTE).
- 2.0 IRA2 FTEs are required to support complaint investigations and citation work resulting from this legislation. (1.2 FTE complaint investigations + 0.2 FTE citation work = 1.4 IRA2 FTEs. This is rounded to **2.0 FTEs** as L&I must also provide technical

assistance to employers and has the authority to conduct companywide investigations, if during an investigation the department discovers information suggesting additional violations occurred)

0.1 FTE, Revenue Agent 2 (RA2), permanent starting October 1, 2029. Duties include collection of citations in the case of willful violations/noncompliance with employer administrative duties.

- 230 new complaints are anticipated annually, as outlined above.
- 14 percent of complaints are anticipated to result in citations, based on historical wage complaint citation rates.
- An estimated 32 new citations are anticipated per year as a result of this bill (230 new complaints X .14 = 32 citations).
- The workload for an RA2 is 300 citations/accounts per RA2 per year.
- 0.1 FTE RA2s will be needed to handle the 32 new citations (32 new citations / 300 citations per RA2 = 0.1 FTE RA2).

1.0 FTE, Customer Service Specialist 2 (CSS2), permanent starting October 1, 2026. Duties include providing agency interpretation and applies knowledge of laws, regulations, and processes in the resolution of inquiries, complaints and problems and acting as a liaison between clients/customers and agency, giving presentations and offering assistance where applicable.

- 230 new complaints are anticipated annually, as outlined above.
- One CSS2 is needed for every 300 complaints.
- 1.0 FTE CSS2s are required to implement this bill (230 new complaints / 300 complaints per CSS2 = .8 FTEs).

1.0 FTE, Administrative Regulations Analyst 4, permanent starting April 1, 2024. Duties include stakeholdering, policy drafting and interpretation, acting as the implementation lead, and providing ongoing policy support after implementation, and serving as a subject matter expert on this new law. The Administrative Regulations Analyst would also be responsible for collaborating with the State Treasurer and the governing board.

- This bill will require stakeholdering and policy activities that are complex in nature and require full-time staff to lead the actual implementation efforts and provide ongoing

policy support after implementation. This includes creating training materials, guidance documents, and supporting policy interpretation.

- L&I anticipates that implementation efforts will need to start immediately in preparation for the program launch date, because L&I must collaborate with the governing board and State Treasurer and need to prepare to be able to accept new complaints when enforcement begins.

0.5 FTE, Communications Consultant 5, permanent starting July 1, 2026. Duties include overseeing L&I's communication efforts to educate participating employers of their administrative duties under the law, support implementing the governing board's outreach, marketing, and educational initiatives or publication of online resources, ensure that these initiatives include special consideration for communities traditionally/known to often face barriers to participation in workplace retirement savings programs.

- This 0.5 FTE Communications Consultant 5 would be the primary communications contact ensuring that L&I educate participating employers of their administrative duties. They would work with the plan's governing board and key stakeholder agencies Office of Minority and Women's Business Enterprises, Secretary of State, and other stakeholders to ensure that the education strategy is effective.

Information Technology

The expenditure calculations in this fiscal note include changes to the hourly rates for contract technology based on an annual analysis completed by L&I. These changes include rates based on expert skill level and an inflationary factor in all categories. All expenditures in this section are for the 2025-27 biennium.

Contract developers will modify and enhance multiple internal systems (Wage payment complaint system, Accounts Receivable System and the Cash receipting system).

A total of \$85,155 is needed in the 2025-27 biennium for all information technology changes.

This includes:

- Contractor costs – \$85,155 is needed for 705 contractor hours

Outreach Campaign

\$285,000 is needed in fiscal year 2027 for radio advertising, digital media, and translation costs:

- Targeted radio advertising: \$160,000
- Digital media campaign: \$110,000
- Translation into key languages: \$15,000

Attorney General – Legal Services

\$30,000 is needed annually for legal services starting in fiscal year 2027. The following assumptions were used to calculate the estimates:

- The Attorney General Office will bill L&I for legal services based on the enactment of this bill.
 - Fiscal year 2027 services to L&I will consist of implementation and investigation client advice in fiscal year 2027.
 - Fiscal year 2028 and 2029 services to L&I will consist of litigation of wage deduction violations and client advice.
 - Fiscal year 2030 services and beyond will consist of litigation services.
- L&I expects the number of retirement savings program participants from the implementation date of January 1, 2027 to gradually increase to an estimated 367,900 employees once the program is active for seven years.
- 230 new complaints are anticipated annually, as outlined above.

Administrative Hearings

\$16,000 is needed starting in fiscal year 2030 and each consecutive fiscal year based on an estimated six additional annual new administrative rule hearings once the retirement program participation ramps up and stabilizes in fiscal year 2030. During implementation, from fiscal year 2027 to fiscal year 2029, any administrative hearings will be implemented utilizing existing resources.

Indirect Costs

The amount included in this fiscal note for indirect is:

Fund Name		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
001	General Fund	1,164	6,654	6,654	23,564	29,090	29,090
	Total:	\$1,164	\$6,654	\$6,654	\$23,564	\$29,090	\$29,090

The department assesses an indirect rate to cover agency-wide administrative costs. Labor and Industries' indirect rate is applied on salaries, benefits, and standard costs. For fiscal note purposes, the total indirect amount is converted into salary and benefits for partial or full indirect FTEs. Salary and benefits costs are based on a Fiscal Analyst 5 (Range 59, Step G).

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

None.



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
6069 E 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 the Secretary of State	0	0	0	0	0	0	0	0	0	0	0	0
Office of State Treasurer Indeterminate Impact	0	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	0
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
Office of Minority and Women's Business Enterprises	0	0	0	0	0	0	0	0	0	0	0	0
Department of Labor and Industries Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0



Ten-Year Analysis

Bill Number 6069 E S SB	Title Retirement savings	Agency 085 Office of the Secretary of State
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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**

Name of Tax or Fee	Acct Code												
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Agency Preparation: Bonnie Luntzel	Phone: 360-570-5575	Date: 2/14/2024 8:53:56 am
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 2/14/2024 8:53:56 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB	Title Retirement savings	Agency 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											
Total												

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: 2/13/2024 4:46:16 pm
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 2/13/2024 4:46:16 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB	Title Retirement savings	Agency 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

Name of Tax or Fee	Acct Code											

Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 2/15/2024 6:10:19 pm
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 2/15/2024 6:10:19 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB	Title Retirement savings	Agency 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

Name of Tax or Fee	Acct Code												
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Agency Preparation: Chad Johnson	Phone: 360-725-5028	Date: 2/23/2024 11:24:02 an
Agency Approval: Chad Johnson	Phone: 360-725-5028	Date: 2/23/2024 11:24:02 an
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB	Title Retirement savings	Agency 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**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 2/16/2024 11:02:03 an
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 2/16/2024 11:02:03 an
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB	Title Retirement savings	Agency 147 Office of Minority and Women's Business Enterprises
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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

Name of Tax or Fee	Acct Code											

Agency Preparation: Ian Shelley	Phone: (360) 407-2243	Date: 2/16/2024 4:35:03 pm
Agency Approval: Ian Shelley	Phone: (360) 407-2243	Date: 2/16/2024 4:35:03 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB	Title Retirement savings	Agency 235 Department of Labor and Industries
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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											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

The proposed bill requires civil penalties received by L&I to be deposited in the Supplemental Pension Fund, fund 881. L&I does not have data to determine how many ci penalties will be assessed. The cash receipts are indeterminate.

Agency Preparation: Rachel Reed	Phone: 360-902-4552	Date: 2/16/2024 2:13:40 pm
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 2/16/2024 2:13:40 pm
OFM Review:	Phone:	Date: