

Multiple Agency Fiscal Note Summary

Bill Number: 6069 E S SB AMH ENGI H3503.E	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	173,000	0	0	286,000	0	0	160,000
Department of Financial Institutions	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Labor and Industries	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	173,000	0	0	286,000	0	0	160,000

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	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	.3	0	0	173,000	.7	0	0	286,000	.6	0	0	160,000
Department of Financial Institutions	3.5	0	0	1,035,231	6.9	0	0	1,963,496	.0	0	0	0
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Financial Management	.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	213,000	213,000	213,000	1.6	581,000	581,000	581,000	4.8	1,126,000	1,126,000	1,126,000
Department of Labor and Industries	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	4.7	249,934	249,934	1,458,165	9.5	663,276	663,276	2,912,772	5.7	1,208,276	1,208,276	1,368,276

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 Financial Institutions	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	.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 4/ 5/2024
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Individual State Agency Fiscal Note

Bill Number: 6069 E S SB AMI ENGR H3503.E	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: 03/07/2024
Agency Preparation: Mike Woods	Phone: (360) 704-5215	Date: 03/07/2024
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 03/07/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 03/08/2024

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.

The bill creates Washington Saves 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.

Section 4

Directs the Governing Board to establish, design, develop, implement, maintain, and oversee the Washington Saves program. Among other duties, the Governing Board is to consult with the Office of the Secretary of State (OSOS) 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 AMI ENGR H3503.E	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:

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: 03/07/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 03/08/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 03/08/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 03/08/2024

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.

ESSB 6069 AMH ENGR H3503.E establishes Washington saves 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 in a convenient, cost-effective, and portable manner. Washington saves is intended as a public-private partnership that will encourage, not replace or compete with, employer-sponsored retirement plans.

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 11 creates the Washington saves administrative treasury trust account in the custody of the state treasurer. The account may be used only for the purposes of administrative and operating expenses of the program established under this chapter. Only the director of the administrative agency or the director'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 account retains its earnings from investments. Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable.

Section 12 - the Washington saves investment account is established as a trust, with the governing board created under this chapter as its trustee. The assets of the account are not state money, common cash, or revenue to the state. Only the governing board or the governing board's designee may authorize expenditures from the account.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 6069 E S SB AMI ENGR H3503.E	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		173,000	173,000	286,000	160,000
Total \$		173,000	173,000	286,000	160,000

Estimated Operating Expenditures from:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.6	0.3	0.7	0.6
Account					
Legal Services Revolving Account-State 405-1	0	173,000	173,000	286,000	160,000
Total \$	0	173,000	173,000	286,000	160,000

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: 03/07/2024
Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 03/12/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 03/12/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 03/13/2024

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.

PART I

Section 1 - New section. Washington Saves established. Requires consultations with covered employees. 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 (Board) of Washington Saves program will determine accounts available. Money placed in accounts may not be counted for means-tested programs.

Section 4 - New section. Board is established. Fifteen members including: Two each appointed by President of the Senate, two appointed by Speaker of the House, Office of the State Treasurer (OST), Director of Department of Financial Institutions (DFI), and others with specific qualifications and appointed by the Governor. Other state agencies will cooperate by providing data, etc. Board meeting and voting provisions. Provides investment directives to the Board. Board to launch the program by January 1, 2027. DFI may contract out certain tasks. Instructs legislative member from governing caucus to convene initial meetings, then eventually become ex officio members after July 1, 2027. DFI shall staff and support until July 1, 2027, until new administrative agency takes over. Requires progress reports to legislative committee(s) starting December 1, 2025, final report on implementation by December 1, 2026, and annual program reports starting December 1, 2028. Requires Board to implement Diversity, Equity and Inclusion (DEI) efforts and training.

Section 5 - 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 6 - New section. Labor & Industries (L&I) responsible for educating participating employees, investigating and enforcing complaints, establishing appeals process, collecting civil penalties.

Section 7 - New section. Requirements related to complaints, investigations, enforcement applicable to L&I.

Section 8 - New section. L&I to establish right to appeal.

Section 9 - New section. L&I to establish investigations and enforcement processes. Provides subpoena power.

Section 10 - New section. New administrative agency responsibilities for information security. Information about individual or employer is private and confidential, provides details and exceptions.

Section 11 - New section. Treasury trust account created. Interest accrued shall remain in account.

Section 12 - New section. Washington State investment account established as a trust.

PART II

Section 13 - New section. RCW 43.330.730 is decodified.

Section 14 - Amends RCW 43.330.732 to account for new act.

Section 15 - Amends RCW 43.330.735 to account for new act.

PART III

Section 16 - Amends RCW 43.79A.040 to include new act and account.

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

PART IV

Section 18 - New section. Section 17 expires on July 1, 2030.

Section 19 - New section. Section 17 takes effect July 1, 2024. Section 18 takes effect July 1, 2030.

Section 20 - New section. Sections 1-13 are a new chapter in Title 19 RCW.

Section 21 - 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.

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 agencies are the Department of Labor and Industries (L&I), Department of Financial Institutions (DFI) and new Governing Board (Board). 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 agencies' fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

L&I will be billed for King County rates:

FY 2025 and in each FY thereafter: \$30,000 for 0.1 Assistant Attorney General FTE (AAG) and 0.1 Paralegal 1 FTE (PL1)

DFI will be billed for non-King County rates:

FY 2025: \$173,000 for 0.3 AAG and 0.2 PL1, which includes direct litigation costs of \$100,000

FY 2026: \$206,000 for 0.4 AAG and 0.2 PL1, which includes direct litigation costs of \$100,000

FY 2027: \$50,000 for 0.2 AAG and 0.1 PL, which includes direct litigation costs of \$10,000

Board will be billed for non-King County rates:

FY 2028 and in each FY thereafter: \$50,000 for 0.2 AAG and 0.1 PL, which includes direct litigation costs of \$10,000

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2024 legislative session.

Location of staffing is assumed to be in a King County and non-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's (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. Assumptions for the AGO Government Compliance and Enforcement Division (GCE) Legal Services:

The AGO will bill Department of Financial Institutions (DFI) for FY 2025 through FY 2027 and the new Governing Board (Board) FY 2028 and in each FY thereafter, for legal services based on the enactment of this bill.

This bill would establish a new state-facilitated retirement savings program that would allow covered employees to contribute to an IRA through automatic payroll deductions. The program is intended to become available July 1, 2027. The program would be designed and administered by a Board comprised of 15 members, including legislative, executive and other industry and community representatives that would begin meeting in 2025. DFI would provide staff support to the Board until June 30, 2027, and a separate unidentified administrative agency would staff the Board after that.

The Board would have significant and complex responsibilities to launch the program including, conducting an outreach and education initiative to design and implement the program, contracting with outside firms for investment management, adopting policies and rules to govern and operate the program, creating education materials for covered employers and employees, collecting administrative fees, submitting progress reports to the legislature on December 1, 2025 and 2026, and annual reports thereafter beginning December 1, 2028. The Board would be subject to the Open Public Meetings Act (OPMA) and could establish class one workgroups to assist in the work whose members could receive volunteer stipends. GCE assumes the Board would need initial and ongoing advice on general issues such as bylaws, Public Records Act (PRA) (including specific confidentiality provisions in the bill), OPMA, contracting, rulemaking and progress and annual reports. Additionally, the Board would need specialized legal advice related to procuring and managing investment and other contracts (which could include public-private partnership agreements or interstate agreements), rulemaking, tax advice (which could necessitate utilization of Special Assistant Attorney General (SAAG) contracts) and other investment and retirement vehicle issues.

GCE assumes it will require 120 AAG hours in general legal services and 330 AAG hours in specialized legal services in FY 2025 (450 AAG hours). FY 2026 will require 530 AAG hours for the design and development phase and 120 AAG hours for general legal services (650 AAG hours). FY 2027 and in each FY thereafter 250 AAG hours.

GCE assumes that the Board will require the expertise of specialized tax attorneys under SAAG contracts. During the program design and development phase, SAAGs would be used to ensure the new program meets all applicable tax laws for tax-deferred Individual Retirement Account (IRA) retirement savings vehicles, which may include advice, review of documents and contracts, or providing tax opinions. It is likely SAAGs would be used on an ongoing basis for advice on tax law changes or tax implications of new investment options.

FY 2025 and FY 2026: GCE assumes 100 SAAG hours at an hourly rate of \$1,000 or \$100,000 annually.

FY 2027 and in each FY thereafter: GCE assumes 10 SAAG hours at an hourly rate of \$1,000 or \$10,000 annually.

GCE anticipates this bill could increase litigation against the Board, but the nature and frequency of such litigation is indeterminate. The assigned AGO division would defend the Board in any litigation that arises related to activities of the Board.

GCE: Total non-King County workload impact:

FY 2025: \$173,000 for 0.3 AAG and 0.2 PL1, which includes direct litigation costs of \$100,000

FY 2026: \$206,000 for 0.4 AAG and 0.2 PL1, which includes direct litigation costs of \$100,000

FY 2027 and in each FY thereafter: \$50,000 for 0.2 AAG and 0.1 PL1, which includes direct litigation costs of \$10,000

Total King County and non-King County workload impact:

FY 2025: \$173,000 for 0.3 AAG and 0.2 PL1, which includes direct litigation costs of \$100,000

FY 2026: \$206,000 for 0.4 AAG and 0.2 PL1, which includes direct litigation costs of \$100,000

FY 2027 and in each FY thereafter: \$80,000 for 0.3 AAG and 0.2 PL1, which includes direct litigation costs of \$10,000

3. 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 IRA offering in the SBRM that will simplify program administration. Therefore, no costs are included in this request.

4. The AGO Revenue and Finance Division (REV) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Office of the State Treasurer (OST). New legal services are nominal and costs are not 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.

6. The AGO Solicitor General’s Office (SGO) has reviewed this bill and determined it will not increase or decrease the division’s workload. Therefore, no costs are included in this request.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services Revolving Account	State	0	173,000	173,000	286,000	160,000
Total \$			0	173,000	173,000	286,000	160,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29	
FTE Staff Years		0.6	0.3	0.7	0.6	
A-Salaries and Wages		50,000	50,000	121,000	98,000	
B-Employee Benefits		15,000	15,000	36,000	28,000	
C-Professional Service Contracts		100,000	100,000	110,000	20,000	
E-Goods and Other Services		8,000	8,000	18,000	14,000	
G-Travel				1,000		
Total \$		0	173,000	173,000	286,000	160,000

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	129,100		0.3	0.2	0.3	0.2
Assistant Attorney General-Seattle	135,555				0.1	0.1
Management Analyst 5	95,184		0.1	0.1	0.2	0.1
Paralegal 1	69,072		0.2	0.1	0.2	0.1
Paralegal 1-Seattle	72,528				0.1	0.1
Total FTEs			0.6	0.3	0.7	0.6

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29	
Government Compliance & Enforcement Division (GCE)		173,000	173,000	256,000	100,000	
Labor & Industries Division (LNI)				30,000	60,000	
Total \$			173,000	173,000	286,000	160,000

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 AMI ENGR H3503.E	Title: Retirement savings	Agency: 102-Department of Financial Institutions
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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	0.0	6.9	3.5	6.9	0.0
Account					
Financial Services Regulation Account-Non-Appropriated 300 -6	0	1,035,231	1,035,231	1,963,496	0
Total \$	0	1,035,231	1,035,231	1,963,496	0

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/07/2024
Agency Preparation: Cale Zimmerman	Phone: (360) 902-0507	Date: 03/14/2024
Agency Approval: Emily Fitzgerald	Phone: (360) 902-8780	Date: 03/14/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 03/14/2024

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.

This legislation establishes the Washington Saves 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.

Section 4 of this bill establishes a Governing Board which shall establish, design, develop, implement, maintain, and oversee the Washington Saves Program.

Section 4(9) states that the Department of Financial Institutions shall staff the governing board and shall provide administrative support to the governing board. This version of the bill allows DFI to contract with a third-party entity to provide assistance or expertise during the program outreach and education, design, and implementation stage if approved by the governing board.

Section 4(10) states that the Governing Board shall conduct an outreach and education initiative regarding the design and implementation of the program. The Governing Board shall consult, educate, and receive feedback from covered employers and covered employees regarding the program design and implementation.

Section 4(20) states that the governing board shall submit progress reports to the appropriate committees of the legislature, with the first progress report due by December 1, 2025. A final report on the programs design and implementation recommendations is due December 1, 2026. This final report will contain a comprehensive summary of outreach activities conducted by the Governing Board to receive feedback on program elements and implementation. It will also contain recommendations regarding the Governing Board structure, including who should chair the Governing Board, and what entity should serve as the administrative agency that provides staff support to the governing board once the program is established and operational. The governing board shall consider a potential new agency, an existing state agency, or the office of a stand-alone statewide elected official for the administrative agency.

DFI anticipates contracting with third-party entities in areas where there is a need for professional and technical expertise, such as accounting, retirement plan design, federal tax law, and IT support so the program can provide web-based services. The extensive communication and outreach work set forth in this bill will primarily be performed by the Governing Board with staff support from the department. Translation services for written outreach materials, as well as for discussion during community outreach meetings, will be outsourced. DFI has a small existing communication and outreach team that is unable to absorb the work needed to implement the outreach efforts required by the bill without additional staffing.

Initial outreach will focus on informing the public about the Washington Saves program. The outreach and education initiative will ensure that diverse employer and employee communities are consulted, that interpreters are provided, and that written documents and materials are translated. This includes engaging in a culturally relevant and responsive approach to employers that are considered socially vulnerable, historically marginalized, or face cultural language barriers to participating in workplace retirement savings programs. The outreach and communication team will develop strategies to educate and inform covered employers about their administrative duties under the program. DFI anticipates significant inquiries regarding the establishment of the Washington Saves program.

Additionally, DFI expects costs for legal work to be performed. Upon enactment of this bill, DFI will be a client agency of the Attorney General's Office (AGO). The AGO will bill DFI the following costs for legal services rendered in fiscal years 2025 through 2027:

FY 2025: \$173,000 for 0.3 Assistant Attorney General (AAG) and 0.2 Paralegal 1 (PL1) \$100,000

FY 2026: \$206,000 for 0.4 AAG and 0.2 PL1, which includes direct litigation costs of \$100,000

FY 2027: \$50,000 for 0.2 AAG and 0.1 PL1, which includes direct litigation costs of \$10,000

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

This legislation establishes the Washington Saves Administrative Treasury Trust Account in the custody of the State Treasurer (Section 11). Only the Director of the Department of Financial Institutions, or the Director's designee, may authorize expenditures from the account. 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 (Section 4 (17)). Fee collection would begin after accounts are established under the program, January 1, 2027 at the earliest. Projected fee collections are currently unavailable, therefore the cash receipt impact is indeterminate. The amount and source(s) of this funding are currently 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.

In order to provide the administrative support and staffing for the Governing Board, DFI will require the following staff:

1.0 FTE of a leadership level employee to provide strategic and technical level support to the workgroup, oversee required outreach, facilitate contracts between the Governing Board and various professional entities with expertise in investment management and program design, collaborate with other agencies, stakeholders, and industry experts, and ensure that the Washington Saves programs meets all of the objectives outlined in this legislation.

1.0 FTE of a Management Analyst 4 to provide administrative assistance for meetings, draft materials, and assist with coordination between agencies, contractors, and other stakeholders.

1.0 FTE of a Communications Consultant 4 and 2.0 FTE of a Communications Consultant 2 to perform outreach to covered employees and covered employers, ensuring that the businesses and workers intended to benefit from the program are provided ample opportunity to learn about and give input on the program design and timeline for implementation.

1.0 FTE of a Financial Legal Examiner 4 to ensure DFI is fulfilling all statutory duties while supporting the Governing Board of the Washington Saves program.

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

With this version of the bill now only requiring DFI to provide support staff through 6/30/2027, the FTEs and expenditures do not extend past fiscal year 2027. This is assuming the program is established and operational and recommendations regarding the Governing Board structure, including who should chair the Governing Board, and what entity should serve as the administrative agency that provides staff support to the governing board, have been timely submitted in reports and the new administrative agency is prepared to serve.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
300-6	Financial Services Regulation Account	Non-Appropriated	0	1,035,231	1,035,231	1,963,496	0
Total \$			0	1,035,231	1,035,231	1,963,496	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		6.9	3.5	6.9	
A-Salaries and Wages		550,679	550,679	1,101,358	
B-Employee Benefits		175,885	175,885	382,900	
C-Professional Service Contracts					
E-Goods and Other Services		233,667	233,667	377,238	
G-Travel		51,000	51,000	102,000	
J-Capital Outlays		24,000	24,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	1,035,231	1,035,231	1,963,496	0

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Communications Consultant 2	54,199		2.0	1.0	2.0	
Communications Consultant 4	67,720		1.0	0.5	1.0	
Financial Legal Examiner 4	100,524		1.0	0.5	1.0	
Management Analyst 4	74,729		1.0	0.5	1.0	
Program Manager	138,360		1.0	0.5	1.0	
Program Specialist 4	67,720		0.9	0.5	0.9	
Total FTEs			6.9	3.5	6.9	0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Section 4(13) provides the Governing Board with the authority to adopt rules to govern the program. It is assumed that DFI will assist with this effort.

Individual State Agency Fiscal Note

Bill Number: 6069 E S SB AMI ENGR H3503.E	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: 03/07/2024
Agency Preparation: Chad Johnson	Phone: 360-725-5028	Date: 03/20/2024
Agency Approval: Chad Johnson	Phone: 360-725-5028	Date: 03/20/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 03/20/2024

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.

Amendment striker 6069 ES SB AMH ENGR H3503.E does not change the non-fiscal impact status of ESSB 6069, Part II – Sections 14-16.

Engrossed Substitute Senate Bill 6069 and Substitute Senate Bill 6069 do not change the non-fiscal impact from the primary 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.

Amendment striker 6069 ES SB AMH ENGR H3503.E does not change the non-fiscal impact status of ESSB 6069, Part II – Sections 14-16.

Engrossed Substitute Senate Bill 6069 and Substitute Senate Bill 6069 do not change the non-fiscal impact from the primary 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 AMI ENGR H3503.E	Title: Retirement savings	Agency: 105-Office of Financial Management
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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: 03/07/2024
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 03/19/2024
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 03/19/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 04/05/2024

Part II: Narrative Explanation

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

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

This amendment differs from the previous amendment in that it has no references to OFM. Therefore, OFM doesn't have a fiscal impact.

Previous FN Assumptions for Amendment 6069-S.E AMH ENGR H3496.E:

Sec 1. Establishes the Washington Saves program which provides covered employees, on a voluntary basis, a method for additional retirement security through a state-facilitated retirement savings program.

Sec 4. Creates a Governing Board to design and administer this the Washington Saves Program that includes 15 members. OFM is required to staff and provide administrative support to the governing board. The governing board may appoint work groups to support the design and administration of the program.

The Board must begin meeting in 2025 and:

- Can meet and vote remotely.
- Shall establish, design, develop, implement, maintain, and oversee the program in accordance with the bill's chapter and best practices for retirement saving vehicles.
- Must conduct an outreach and education initiative regarding the design and implementation of the program.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 6069 E S SB AMI ENGR H3503.E	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: 03/07/2024
Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 03/08/2024
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 03/08/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 03/08/2024

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.

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 AMI ENGR H3503.E	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: 03/07/2024
Agency Preparation: Ian Shelley	Phone: (360) 407-2243	Date: 03/12/2024
Agency Approval: Ian Shelley	Phone: (360) 407-2243	Date: 03/12/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 03/13/2024

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.

ESSB 6069 AMH ENGR H3503.E establishes a governing board and establishes the Washington Saves Program to be administered by the that board.

New section 4(12)(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(12)(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 AMI ENGR H3503.E	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	1.6	4.8
Account					
General Fund-State 001-1	44,000	169,000	213,000	581,000	1,126,000
Total \$	44,000	169,000	213,000	581,000	1,126,000

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

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/07/2024
Agency Preparation: Rachel Reed	Phone: 360-902-4552	Date: 03/14/2024
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 03/14/2024
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 03/17/2024

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	169,000	213,000	581,000	1,126,000
Total \$			44,000	169,000	213,000	581,000	1,126,000

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

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	1.1	0.7	1.6	4.8
A-Salaries and Wages	23,000	95,000	118,000	266,000	696,000
B-Employee Benefits	8,000	33,000	41,000	94,000	264,000
C-Professional Service Contracts				85,000	
E-Goods and Other Services	3,000	41,000	44,000	95,000	158,000
G-Travel				1,000	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	169,000	213,000	581,000	1,126,000

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

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Regulations Analyst 4	88,416	0.3	1.0	0.6	1.0	1.0
Communications Consultant 2	90,624				0.1	0.5
Customer Service Specialist 2	48,864				0.1	1.0
Fiscal Analyst 5	74,376		0.1	0.1	0.1	0.3
Industrial Relations Agent 2	69,072				0.3	2.0
Total FTEs		0.3	1.1	0.7	1.6	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 AMH ENGR H3503.E is different from ESSB 6069 in that:

- **Section 1(3)** adds that the program must be designed in consultation with covered employers and covered employees to ensure that these groups can learn about and give input on the program design and timeline for implementation before the program is made publicly available.
- **Section 4(2)** was updated to change the governing board membership from nine members to 15 members. The governing board now consists of: one member from each of the two largest caucuses in each house, appointed by the president of the senate and speaker of the house; the state treasurer; the director of the department or their designee; members appointed by the governor: one member representing the securities industry; one member representing the insurance industry; one member who is a certified financial planner recommended by the national association of insurance and financial advisors of Washington; one member representing the interests of small, independent businesses in Washington; one member representing the interests of minority-owned and women-owned businesses in Washington; one member representing the Washington asset building coalition; one member representing a retirement advocacy organization; one member representing covered employees; and one member representing covered employers.
- **Section 4(9)** was added to specify that the department of financial institutions shall staff the governing board until no later than June 30, 2027; and the to-be-determined "administrative agency" will provide staff support beginning no later than July 1, 2027.
- **Section 4(10)** was added to specify that the governing board shall conduct an outreach and education initiative regarding the design and implementation of the program.
- **Section 4(12)(b)(v)** was added to specify that the governing board must provide a simple process for covered employees to opt out of the program at any time or modify their payroll deductions.
- **Section 4(12)(e)** was updated to change the launch date for the retirement savings account program from January 1, 2027 to July 1, 2027.
- **Section 5** was struck (previously described state treasurer responsibilities). As a result, section 6 and the following sections were renumbered.

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 July 1, 2027. The governing board must begin meeting in 2025.

Section 6 establishes the responsibilities of the Department of Labor and Industries (L&I). 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 7 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 8 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 9 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. The section also 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 authorizes L&I to:

- Investigate similarly situated employees if they find a violation.
- Authorize 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 (July 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 April 1, 2027. 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% ($1,520 \text{ AV rounded up to } 2,000 \text{ to include unlawful deduction complaints} / 3,520,246 \text{ workers} = .0005 \text{ or } .05\%$).
- L&I estimates that this bill would result in 230 new complaints per year ($456,063 \text{ employees participating in the new retirement savings plan} \times .05\% \text{ complaint rate} = 230 \text{ new complaints}$).
- One IRA2 FTE can handle 200 total complaints per year.
- $1.2 \text{ IRA2 FTEs will be needed to handle the } 230 \text{ new complaints per year} (230 \text{ new complaints} / 200 \text{ complaints investigated by an IRA2 per year} = 1.2 \text{ FTEs})$.

- 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 X 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 April 1, 2027. 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 January 1, 2027. 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

Education and Outreach

Until a determination is made on Section 4(9)(b), it is unknown if outreach costs will be needed.

In addition, Section 6(a) requires the agency to educate participating employers of their administrative duties under this chapter. At this time, that cannot be calculated.

Due to this, the Education and Outreach is indeterminate. It is anticipated that those costs would not be needed until FY27.

Attorney General – Legal Services

\$30,000 is needed annually for legal services starting in fiscal year 2025. 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 2025 and in each fiscal year thereafter: \$30,000 for 0.1 Assistant Attorney General FTE (AAG) and 0.1 Paralegal 1 FTE.
- L&I expects the number of retirement savings program participants from the implementation date of July 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	12,346	29,090	29,090
	Total:	\$1,164	\$6,654	\$6,654	\$12,346	\$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 AMH ENGR H3503.E	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	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 Financial Institutions Indeterminate Impact	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 Financial Management	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 AMH ENGR H3503.E	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: Mike Woods	Phone: (360) 704-5215	Date: 3/7/2024 2:01:03 pm
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 3/7/2024 2:01:03 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	Title Retirement savings	Agency 090 Office of State Treasurer
--	------------------------------------	--

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: Mandy Kaplan	Phone: (360) 902-8977	Date: 3/8/2024 9:10:06 am
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 3/8/2024 9:10:06 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	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												
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Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 3/12/2024 4:43:06 pm
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 3/12/2024 4:43:06 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	Title Retirement savings	Agency 102 Department of Financial Institutions
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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)

This legislation establishes the Washington Saves 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.

Section 4 of this bill establishes a Governing Board which shall establish, design, develop, implement, maintain, and oversee the Washington Saves Program. Section 4(states that the Department of Financial Institutions shall staff the governing board and shall provide administrative support to the governing board.

This legislation also establishes the Washington Saves Administrative Treasury Trust Account (Section 11). 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 (Section 4 (17)). Fee collection would begin after accounts are established under the program, January 1, 2027 at the earliest. Projected fee collections are currently unavailable, therefore the cash receipt impact is indeterminate. The amount and source(s) of this funding are currently indeterminate.



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	Title Retirement savings	Agency 102 Department of Financial Institutions
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Agency Preparation: Cale Zimmerman	Phone: (360) 902-0507	Date: 3/14/2024 9:17:03 am
Agency Approval: Emily Fitzgerald	Phone: (360) 902-8780	Date: 3/14/2024 9:17:03 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	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											

Agency Preparation: Chad Johnson	Phone: 360-725-5028	Date: 3/20/2024 8:04:35 am
Agency Approval: Chad Johnson	Phone: 360-725-5028	Date: 3/20/2024 8:04:35 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	Title Retirement savings	Agency 105 Office of Financial Management
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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: Kathy Cody	Phone: (360) 480-7237	Date: 3/19/2024 7:47:07 am
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 3/19/2024 7:47:07 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	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: 3/8/2024 10:15:39 am
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 3/8/2024 10:15:39 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	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: 3/12/2024 3:12:11 pm
Agency Approval: Ian Shelley	Phone: (360) 407-2243	Date: 3/12/2024 3:12:11 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6069 E S SB AMH ENGR H3503.E	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: 3/14/2024 5:07:12 pm
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 3/14/2024 5:07:12 pm
OFM Review:	Phone:	Date: