

Multiple Agency Fiscal Note Summary

Bill Number: 1887 HB	Title: Data broker registry & tax
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Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Revenue	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Licensing	0	0	622,000	0	0	288,000	0	0	288,000
Total \$	0	0	622,000	0	0	288,000	0	0	288,000

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Revenue	2.5	803,100	803,100	803,100	1.4	369,100	369,100	369,100	1.3	354,000	354,000	354,000
Department of Licensing	1.6	0	0	622,000	1.2	0	0	288,000	1.2	0	0	288,000
Total \$	4.1	803,100	803,100	1,425,100	2.6	369,100	369,100	657,100	2.5	354,000	354,000	642,000

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.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: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final 2/18/2025
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Department of Revenue Fiscal Note

Bill Number: 1887 HB	Title: Data broker registry & tax	Agency: 140-Department of Revenue
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

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

Estimated Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.9	2.1	2.5	1.4	1.3
Account					
GF-STATE-State 001-1	467,200	335,900	803,100	369,100	354,000
Total \$	467,200	335,900	803,100	369,100	354,000

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.

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If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☒

Requires new rule making, complete Part V.

Legislative Contact: Kristina King	Phone: (360) 786-7190	Date: 02/07/2025
Agency Preparation: Joe Lee	Phone: (360) 534-1528	Date: 02/13/2025
Agency Approval: Valerie Torres	Phone: (360) 534-1521	Date: 02/13/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 02/17/2025

Request # 1887-1-1

Part II: Narrative Explanation

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

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

This fiscal note only addresses sections 9 through 13 of the bill, which impact the Department of Revenue (department).

CURRENT LAW:

Washington does not tax the collection of data.

PROPOSAL:

The Department of Licensing (Licensing) will create and maintain a registry of data brokers in Washington.

Data brokers will owe a monthly tax on data brokering activities based on the number of Washington residents a data broker collects brokered personal data from within the month. The department will administer this tax.

"Data broker" means any business entity registered with Licensing.

"Data brokering" means collecting, aggregating, analyzing, buying, selling, and sharing brokered personal data, regardless of the relationship between the data broker and the Washington resident.

"Brokered personal data" means any of the following data elements, if organized for sale or licensing to another entity:

- The Washington resident's name or the name of a member of their immediate family or household.
- The Washington resident's address or the address of a member of their immediate family or household.
- The Washington resident's date or place of birth.
- The maiden name of the Washington resident's mother.
- Biometric information about the Washington resident.
- The Washington resident's social security number or the number of any other government-issued identification.
- Other information that, alone or in combination with other information sold or licensed, can reasonably be associated with the Washington resident.

The tax consists of an initial amount plus an additional amount based on the number of Washington residents.

Number of residents tier	Initial tax amount	Per resident additional tax
0 to 500,000	\$0	5 cents per resident in this tier
500,000 to 1,000,000	\$25,000 per month	10 cents per resident in this tier
1,000,000 to 1,500,000	\$75,000 per month	15 cents per resident in this tier
1,500,000 to 2,000,000	\$150,000 per month	20 cents per resident in this tier
2,000,000 to 2,500,000	\$250,000 per month	25 cents per resident in this tier
2,500,000 to 3,000,000	\$375,000 per month	30 cents per resident in this tier
3,000,000 to 3,500,000	\$525,000 per month	35 cents per resident in this tier
3,500,000 to 4,000,000	\$700,000 per month	40 cents per resident in this tier
4,000,000 to 4,500,000	\$900,000 per month	45 cents per resident in this tier
4,500,000 to 5,000,000	\$1,125,000 per month	50 cents per resident in this tier
5,000,000 or more	\$1,375,000 per month	55 cents per resident in this tier

EFFECTIVE DATE:

The bill's sections impacting the department take effect on January 1, 2027.

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.

ASSUMPTIONS:

- Licensing will maintain a registration database of data brokers and not engage in active enforcement.
- Data brokers may voluntarily participate in database registration.
- The registration of a data broker in the database will count as their licensing in Washington.
- Only data brokers registered with Licensing will owe the tax.

REVENUE ESTIMATES:

The revenue impact of this bill is indeterminate because it is unknown how many data brokers will voluntarily register with Licensing.

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.

ASSUMPTIONS:

- The costs below assume a small number of businesses will register with Licensing and owe the tax.
- A large number of business registrations will result in higher administrative and enforcement costs.

FIRST YEAR COSTS:

The department will incur total costs of \$467,200 in fiscal year 2026. These costs include:

Labor Costs – Time and effort equate to 2.9 FTEs.

- Set up, program, and test computer system changes.
- Gather requirements, attend implementation meetings, and document and test system changes.
- Respond to data requests and questions, compile statistics, and manage data.

Object Costs - \$56,100.

- Computer system changes, including contract programming.

SECOND YEAR COSTS:

The department will incur total costs of \$355,900 in fiscal year 2027. These costs include:

Labor Costs – Time and effort equate to 2.1 FTEs.

- Continued computer system testing, monitoring, and maintenance.
- Create a special notice and update relevant information on the department's website.
- Answer additional phone calls and counter inquiries from businesses, individuals, and accountants regarding tax questions and tax return preparation.
- Process tax return work items, assist taxpayers with reporting questions and respond to inquiries via email, web message and paper correspondence.
- Examine accounts and make corrections as necessary.
- Accounting activities for the new tax; compiling receivable information for statewide financial statements and stakeholders.
- Respond to data requests and questions, compile statistics, and manage data.
- Adopt one administrative rule.

Object Costs - \$56,100.

- Computer system changes, including contract programming.

ONGOING COSTS:

Ongoing costs for the 2027-29 biennium equal \$369,100 and include similar activities described in the second-year costs. Time and effort equate to 1.35 FTEs.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.9	2.1	2.5	1.4	1.3
A-Salaries and Wages	258,200	179,200	437,400	237,500	228,000
B-Employee Benefits	93,000	64,500	157,500	85,400	82,000
C-Professional Service Contracts	56,100	56,100	112,200		
E-Goods and Other Services	48,300	30,500	78,800	40,400	39,000
G-Travel		400	400	400	
J-Capital Outlays	11,600	5,200	16,800	5,400	5,000
Total \$	\$467,200	\$335,900	\$803,100	\$369,100	\$354,000

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

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
EMS BAND 4	135,635		0.0	0.0		
EMS BAND 5	158,451		0.0	0.0		
EXCISE TAX EX 3	66,012	0.5	0.3	0.4	0.1	0.1
FISCAL ANALYST 4	67,716				0.1	0.1
IT B A-JOURNEY	94,728	0.5	0.1	0.3	0.1	0.1
IT B A-SR/SPEC	104,412	0.3		0.2		
IT QA-JOURNEY	94,728		0.1	0.1	0.1	
IT QA-SR/SPEC	104,412		0.1	0.1		
IT SYS ADM-JOURNEY	99,444	0.1	0.1	0.1		
MGMT ANALYST4	78,468		0.0	0.0		
TAX INFO SPEC 1	47,988		0.1	0.1		
TAX POLICY SP 2	80,460		0.1	0.1		
TAX POLICY SP 3	91,068	1.5	1.1	1.3	1.0	1.0
TAX POLICY SP 4	98,040		0.0	0.0		
WMS BAND 2	101,410		0.0	0.0		
WMS BAND 3	115,352		0.0	0.0		
Total FTEs		2.9	2.1	2.5	1.4	1.3

III. C - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

Request # 1887-1-1

IV. C - Capital Budget Breakout

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

NONE

Part V: New Rule Making Required

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

Should this legislation become law, the department will use the standard process to adopt WAC 458-20-NEW, titled: "Data brokering tax." This rulemaking would affect data brokers.

Individual State Agency Fiscal Note

Bill Number: 1887 HB	Title: Data broker registry & tax	Agency: 240-Department of Licensing
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
Business and Professions Account-State 06L-1	478,000	144,000	622,000	288,000	288,000
Total \$	478,000	144,000	622,000	288,000	288,000

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.0	1.2	1.6	1.2	1.2
Account					
Business and Professions Account-State 06L-1	478,000	144,000	622,000	288,000	288,000
Total \$	478,000	144,000	622,000	288,000	288,000

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:

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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.

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If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☒

Requires new rule making, complete Part V.

Legislative Contact: Kristina King	Phone: 360-786-7190	Date: 02/07/2025
Agency Preparation: Michael Bancroft	Phone: 360-902-0118	Date: 02/12/2025
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date: 02/12/2025
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/14/2025

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.

Requires DOL to develop a data broker registry.

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.

Please see attached fiscal note

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.

Please see attached fiscal note.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
06L-1	Business and Professions Account	State	478,000	144,000	622,000	288,000	288,000
Total \$			478,000	144,000	622,000	288,000	288,000

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.0	1.2	1.6	1.2	1.2
A-Salaries and Wages	148,000	71,000	219,000	142,000	142,000
B-Employee Benefits	55,000	30,000	85,000	60,000	60,000
C-Professional Service Contracts					
E-Goods and Other Services	275,000	43,000	318,000	86,000	86,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	478,000	144,000	622,000	288,000	288,000

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 2026	FY 2027	2025-27	2027-29	2029-31
MANAGEMENT ANALYST 4	88,794	1.0		0.5		
PROFESSIONAL LICENSING REPRESENTATIVE 1	56,881	0.8	1.0	0.9	1.0	1.0
PROFESSIONAL LICENSING REPRESENTATIVE 2	69,401	0.2	0.2	0.2	0.2	0.2
Total FTEs		2.0	1.2	1.6	1.2	1.2

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.

DOL will need to establish data brokerage licensing fees and will need to specify in rule when data brokers register within the year and when the registration expires.

Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: HB 1887

Bill Title: Data broker registry

Part 1: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts:

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

Revenue	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Business and Professions	06L	478,000	144,000	622,000	288,000	288,000
Account Totals		478,000	144,000	622,000	288,000	288,000

Estimated Expenditures:

Operating Expenditures	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Business and Professions	06L	478,000	144,000	622,000	288,000	288,000
Account Totals		478,000	144,000	622,000	288,000	288,000

The revenue 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 the fiscal impact is **less than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☒ 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.
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact:	Phone: (360)	Date:
Agency Preparation: Mike Bancroft	Phone: (360) 634-5432	Date: 02/12/2025
Agency Approval: Gerrit Eades	Phone: (360) 867-8233	Date: 02/12/2025

Request #	1
Bill #	1887 HB

Part 2 – Explanation

Requires DOL to develop a data broker registry.

2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

Section 3 requires data brokers to register with DOL.

Section 4 requires data brokers to complete the following annual actions on/before January 1st, after a year in which they meet the definition of a data broker:

- Fill out DOL forms to provide their name, street address, telephone number, website, and email address
- Pay a fee set by DOL rule (per RCW 43.24.086)
 - Will be deposited in the Business and Professions (06L) account
- Include a declaration with the following:
 - Indicating the type of data the broker collects, how it's processed, who it's sold to, and for what purposes
 - Specifying how many individuals' data was collected on each month of the preceding year and explaining security measures in place to protect data
 - Stating whether an individual's geolocation information or consumer health data is part of the data brokering activity
 - Stating whether an individual may opt out of some or all of the use of their brokered personal data and specifically which parts, as well as the process for opting out including if someone may do it on their behalf
- Requires DOL to approve a data broker's registration if they meet the requirements with the registration being valid until January 1st of the year after approval.

Section 5 requires DOL to make submitted registration information publicly available on DOL's website.

Section 6 places the registry under URBP regulation and requires DOL to immediately suspend a registration if the registrant is certified by DSHS as out of compliance with a support order with the ability to automatically reissue once the registrant is in compliance.

Section 10 implements a monthly severance tax on data brokering by data brokers in which is based on the number of individuals a data broker collects brokered personal data on within a month.

Section 11 – Adds a new section

- (1) Requires DOL to create a form or process for providing evidence that an individual does not count as a resident individual if their primary residence is outside Washington.
- (2) Requires resident individuals to only be counted once when calculating the monthly excise tax imposed on data brokers.
- (3) Defines business entities with common ownership as a single taxpayer and makes them jointly liable for any taxes due.
- (4) Requires single members of limited liability companies to be treated as individuals.

- (5) Allows DOL and data brokers to agree on a methodology for determining the number of resident individuals to calculate taxes.
 - If an agreement can't be reached, requires DOL to determine an estimation methodology

2.B - Cash receipts Impact

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

Revenue	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Business and Professions	06L	478,000	144,000	622,000	288,000	288,000
Account Totals		478,000	144,000	622,000	288,000	288,000

2.C – Expenditures

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

Operating Expenditures	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Business and Professions	06L	478,000	144,000	622,000	288,000	288,000
Account Totals		478,000	144,000	622,000	288,000	288,000

Goods and Services:

General office supplies, printing, postage, cell phone (if required), laptop, specialized training when required, standard software, and misc. goods and services. \$23,680 FY26; \$14,810 ongoing.

Information Services:

The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

Any change requires a process to ensure changes are correctly applied to the system. This involves Project Managers that manage the team that completes the update, business analyst that documents and reviews the system changes, architect services that analyzes how the update could have an effect on other systems or DOL processes, developers who create the change, and testers and quality assurance teams that ensure the update is working correctly. \$112,200 FY26 one time.

What IS Will Implement:

- Create new profession in POLARIS for data brokers.
- Create ability to for data brokers to register, renew, reinstate, and submit account change requests online or by paper.
- Add form fields to collect information on the type of data collected, use of data, and residents' ability to opt out of data broker activities.

- At renewal, collect number of residents the broker collected data on each month of the previous year.
- Update system to allow staff to process and maintain registrations.
- Create new registration fee.
- Add new profession to standard notifications.
- Update scanners to route paper submissions to system.
- Update public license search to include data brokers and information submitted as part of their registration.

Commercial Off the Shelf (COTS) \$83,263 (one-time)

The system changes identified above impact an existing Commercial Off the Shelf (COTS) product and require modifications by the vendor. The design, development and configuration services are estimated to cost.

Cost Category	Description	Rate	2026	2027	2028	2029	2030	2031	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 27,144	51,600	-	-	-	-	-	51,600
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 19,836	9,900	-	-	-	-	-	9,900
PROJECT MANAGER	Manage schedule and contracts	\$ 35,037	14,000	-	-	-	-	-	14,000
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 19,836	6,000	-	-	-	-	-	6,000
DEVELOPERS	Modify programming and coding to all major systems	\$ 22,968	6,900	-	-	-	-	-	6,900
TRAINER	Trains business partners and employees in new system processes and capabilities.	\$ 27,144	13,600	-	-	-	-	-	13,600
PROJECT CONTINGENCY	Office of the Chief Information Officer designated rate of 10%	\$ 27,394	10,200	-	-	-	-	-	10,200
Totals			112,200	-	-	-	-	-	112,200

These figures are calculated and rounded to 100th value

Support Services:

Agency Administrative Overhead is included at a rate of 24.8 percent of the direct program costs. This funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees. These indirect costs are shown under object E. \$56,340 one-time; \$28,630 ongoing.

Part 3 – Expenditure Detail

3.A – Operating Budget Expenditures

Operating Expenditures	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Business and Professions	06L	478,000	144,000	622,000	288,000	288,000
Account Totals		478,000	144,000	622,000	288,000	288,000

3.B – Expenditures by Object or Purpose

Object of Expenditure	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
FTE Staff Years	2.0	1.2	1.6	1.2	1.2
Salaries and Wages	148,000	71,000	219,000	142,000	142,000
Employee Benefits	55,000	30,000	85,000	60,000	60,000
Goods and Services	275,000	43,000	318,000	86,000	86,000
Total By Object Type	478,000	144,000	622,000	288,000	288,000

3.C – FTE Detail

Staffing	Salary	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
PROFESSIONAL LICENSING REPRESENTATIVE 1	56,881	0.8	1.0	0.9	1.0	1.0
PROFESSIONAL LICENSING REPRESENTATIVE 2	69,401	0.2	0.2	0.2	0.2	0.2
MANAGEMENT ANALYST 4	88,794	1.0	0.0	0.5	0.0	0.0
Total FTE		2.0	1.2	1.6	1.2	1.2

Totals may differ due to rounding.

Quantity	Position	Job description	Ongoing or Project	Estimated Hire/End Date	BPD Section
1	PLR1	Review, process, and issue incoming online and paper applications for new applicants and renewals for current licensees. Verify accuracy and completeness of application materials, reaching out to applicants to ask for further documentation and/or payments. Provide information to the public via phone and email regarding licensing requirements and procedures, answer questions via phone and email from licensees, process payments, and assist in resolving licensing-related issues.	Ongoing	11/1/25	LCSS
0.2	PLR2	Supervise PLR1 staff, workload assignment including application processing, incoming and outgoing phone calls, emails, and agency correspondence, coach/mentor staff, and assist customers via phone and email to answer complex license requirement questions and other misc. questions. Subject matter expert for Cosmo and Tattoo programs. Provides input to system updates for legislative changes and system bugs.	Ongoing	11/1/25	LCSS
1	MA4	Implementation of new chapter, rule writing to support new licensing program, coordinate functional system requirements, and assuring project timelines, meeting with industry and stakeholder groups to communicate new requirements and clarify changes. Communication internally and externally concerning new license. Documentation of new licensing procedures.	Project	7/1/25 - 6/30/26	OSS

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

DOL will need to establish data brokerage licensing fees and will need to specify in rule when data brokers register within the year and when the registration expires.



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
1887 HB	Data broker registry & tax

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

Estimated Cash Receipts

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	2026-35 TOTAL
Department of Revenue Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Department of Licensing	478,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	1,774,000
Total	478,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	1,774,000



Ten-Year Analysis

Bill Number 1887 HB	Title Data broker registry & tax	Agency 140 Department of Revenue
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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 fiscal note only addresses sections 9 through 13 of the bill, which impact the Department of Revenue (department).

CURRENT LAW:

Washington does not tax the collection of data.

PROPOSAL:

The Department of Licensing (Licensing) will create and maintain a registry of data brokers in Washington.

Data brokers will owe a monthly tax on data brokering activities based on the number of Washington residents a data broker collects brokered personal data from within a month. The department will administer this tax.

"Data broker" means any business entity registered with Licensing.

"Data brokering" means collecting, aggregating, analyzing, buying, selling, and sharing brokered personal data, regardless of the relationship between the data broker and the Washington resident.

"Brokered personal data" means any of the following data elements, if organized for sale or licensing to another entity:



Ten-Year Analysis

Bill Number 1887 HB	Title Data broker registry & tax	Agency 140 Department of Revenue
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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>.

Narrative Explanation (Required for Indeterminate Cash Receipts)

- The Washington resident's name or the name of a member of their immediate family or household.
- The Washington resident's address or the address of a member of their immediate family or household.
- The Washington resident's date or place of birth.
- The maiden name of the Washington resident's mother.
- Biometric information about the Washington resident.
- The Washington resident's social security number or the number of any other government-issued identification.
- Other information that, alone or in combination with other information sold or licensed, can reasonably be associated with the Washington resident.

The tax consists of an initial amount plus an additional amount based on the number of Washington residents.

Number of residents tier	Initial tax amount	Per resident additional tax
0 to 500,000	\$0	5 cents per resident in this tier
500,000 to 1,000,000	\$25,000 per month	10 cents per resident in this tier
1,000,000 to 1,500,000	\$75,000 per month	15 cents per resident in this tier
1,500,000 to 2,000,000	\$150,000 per month	20 cents per resident in this tier
2,000,000 to 2,500,000	\$250,000 per month	25 cents per resident in this tier
2,500,000 to 3,000,000	\$375,000 per month	30 cents per resident in this tier
3,000,000 to 3,500,000	\$525,000 per month	35 cents per resident in this tier
3,500,000 to 4,000,000	\$700,000 per month	40 cents per resident in this tier
4,000,000 to 4,500,000	\$900,000 per month	45 cents per resident in this tier
4,500,000 to 5,000,000	\$1,125,000 per month	50 cents per resident in this tier
5,000,000 or more	\$1,375,000 per month	55 cents per resident in this tier

EFFECTIVE DATE:

The bill's sections impacting the department take effect on January 1, 2027.

ASSUMPTIONS:

- Licensing will maintain a registration database of data brokers and not engage in active enforcement.
- Data brokers may voluntarily participate in database registration.



Ten-Year Analysis

Bill Number	Title	Agency
1887 HB	Data broker registry & tax	140 Department of Revenue

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>.

Narrative Explanation (Required for Indeterminate Cash Receipts)

- The registration of a data broker in the database will count as their licensing in Washington.
- Only data brokers registered with Licensing will owe the tax.

REVENUE ESTIMATES:

The revenue impact of this bill is indeterminate because it is unknown how many data brokers will voluntarily register with Licensing.

Agency Preparation: Joe Lee	Phone: 360-534-1528	Date: 2/13/2025 6:09:41 pm
Agency Approval: Valerie Torres	Phone: 360-534-1521	Date: 2/13/2025 6:09:41 pm
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 2/18/2025 9:18:20 am



Ten-Year Analysis

Bill Number 1887 HB	Title Data broker registry & tax	Agency 240 Department of Licensing
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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	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	2026-35 TOTAL
	06L	478,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	1,774,000
Total		478,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	1,774,000
Biennial Totals		622,000		288,000		288,000		288,000		288,000		1,774,000

Narrative Explanation (Required for Indeterminate Cash Receipts)

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

Agency Preparation: Michael Bancroft	Phone: 360-902-0118	Date: 2/12/2025 5:51:02 pm
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date: 2/12/2025 5:51:02 pm
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 2/18/2025 9:18:20 am