

Multiple Agency Fiscal Note Summary

Bill Number: 5691 SB	Title: Continuing care oversight
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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 Social and Health Services	0	0	5,138,000	0	0	4,830,000	0	0	4,830,000
Total \$	0	0	5,138,000	0	0	4,830,000	0	0	4,830,000

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 Commerce	3.4	1,218,712	1,218,712	1,218,712	2.4	866,842	866,842	866,842	2.4	846,842	846,842	846,842
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Social and Health Services	2.0	0	0	5,138,000	1.0	0	0	4,830,000	1.0	0	0	4,830,000
Total \$	5.4	1,218,712	1,218,712	6,356,712	3.4	866,842	866,842	5,696,842	3.4	846,842	846,842	5,676,842

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.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

NONE

Prepared by: Amy Hatfield, OFM	Phone: (360) 280-7584	Date Published: Final 2/18/2025
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Individual State Agency Fiscal Note

Bill Number: 5691 SB	Title: Continuing care oversight	Agency: 103-Department of Commerce
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	3.4	3.4	3.4	2.4	2.4
Account					
General Fund-State 001-1	619,356	599,356	1,218,712	866,842	846,842
Total \$	619,356	599,356	1,218,712	866,842	846,842

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:

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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.

☐

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: Julie Tran	Phone: 360-786-7283	Date: 02/06/2025
Agency Preparation: Kate Labelle	Phone: 3607252753	Date: 02/13/2025
Agency Approval: Kate Labelle	Phone: 3607252753	Date: 02/13/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 02/16/2025

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.

Section 6 creates the Office of the State Senior Independent Living Ombuds and directs the Department of Commerce (Department) to contract with a private nonprofit organization to provide these ombuds services. Section 6 also requires the Department to ensure all program and staff support necessary to enable the ombuds to provide services effectively.

Section 14 (1) directs the Senior Independent Living Ombuds to convene a work group to study data needs. The Department would actively participate in and support this workgroup.

Section 15 directs the Department to adopt rules necessary to carry out this chapter.

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.

Section 6 creates the Office of the State Senior Independent Living Ombuds and directs the Department to contract with a private nonprofit organization to provide these ombuds services. Section 6 also requires the Department to ensure all program and staff support necessary to enable the ombuds to provide services effectively. The Department would conduct a competitive process to identify the organization to provide these services and would require additional staffing to manage this new workload and program.

Section 14 (1) directs the Senior Independent Living Ombuds to convene a work group to study data needs. The Department would actively participate in and support this workgroup.

Section 15 directs the Department to adopt rules necessary to implement to adopt rules necessary to carry out this chapter. Additional staffing will be required to coordinate rulemaking activities.

Administrative impacts

\$619,356 in FY 2026, \$599,356 in FY 2027

New staff:

Commerce Specialist 5, 1.0 FTE: Program supervision, design competitive process, support contract management, facilitate connection and coordination with other ombuds programs, participate in the workgroup.

Commerce Specialist 3, 1.0 FTE: Lead contract manager, monthly meetings with the grantee, approve grantee budgets, provide training and technical assistance, provide subject matter expertise, create and maintain program reporting, review and approve invoices and backup documents, participate in the workgroup.

Management Analyst 5, 1.0 FTE, July 1, 2025 - June 30, 2027: Lead rulemaking activities; research ombuds programs-related rules; develop stakeholder engagement plans; convene public workshops and hearings.

IT Security - Journey, 0.1 FTE: security design reviews, security incident responses (this includes investigations of alerts of possible incidents), ensuring we are meeting any security compliance requirements, conducting audits, consulting with

various teams (including the IT team) on all matters concerning security, monitoring and maintaining threat intel to keep abreast of possible threats, reviewing policies and where needing creating and updating policies, and improving security controls and practices.

IT Data Management - Journey, 0.1 FTE: overall program and data coordination between the Department and the new state senior independent living ombuds office; consult and establish data security and access protocols and work closely with staff; review, map, and catalog all data, the primary source for deciding what category data elements fall into, reviewing data sharing agreements, working with program and other agencies to see if there are areas to share data, or feed into the state's open data program, work closely with the data retention, public disclosure, and contract teams to answer data questions.

Existing staff:

The Department is requesting funding for the following current FTEs to support this work

WMS3, 0.1 FTE: Program leadership and staff support

WMS2, 0.1 FTE: Program, hiring, and contracting oversight; staff support

Language access supports for stakeholder engagement and rulemaking: indeterminate fiscal impact.

The associated expenditures are anticipated September 1, 2025, through March 31, 2027.

The Department anticipates between three and ten public workshops, meetings, or hearings to inform rulemaking activities between September 1, 2025 and March 31, 2027. To ensure public comment opportunities are accessible, the Department plans for the following language access supports:

American Sign Language (ASL) interpreter (\$135 per hour) x 2 interpreters = \$270 per hour

Minimum: 3 public meetings x 270 per hour = \$810

Maximum: 10 public meetings x 150 per hour = \$1500

Communication Access Real-Time Translation (CART Translation) Services (\$75 per hour)

Minimum: 3 public meetings x 75 per hour = \$225

Maximum: 10 public meetings x 75 per hour = \$750

Spanish language interpreters (\$100 per hour)

Minimum: 3 public meetings x \$100 per hour = \$300

Maximum: 10 public meetings x \$100 per hour = \$1000

Additional language interpreters by request (\$100 per hour)

Minimum: 3 public meetings x \$100 per hour = \$300

Maximum: 10 public meetings x \$100 per hour = \$1000

Document translation

The Department anticipates document translation costs of \$0.25 per word, or \$45.00 for small projects.

Assume at least 10 documents will be needed during the project for rulemaking notices, public hearing information, and other outreach communications.

\$450 for Spanish translations

\$450 for additional language translations

Legal services - indeterminate fiscal impact:

Rulemaking activities will require consultation from the Attorney General's Office

Attorney General Costs estimated to be \$1,650 (10 hours x \$165 per hour) would also be required for rules review

These expenditures are anticipated from September 1, 2025 through March 31, 2027

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	619,356	599,356	1,218,712	866,842	846,842
Total \$			619,356	599,356	1,218,712	866,842	846,842

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 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	3.4	3.4	3.4	2.4	2.4
A-Salaries and Wages	329,471	329,471	658,942	462,862	462,862
B-Employee Benefits	105,861	105,861	211,722	149,058	149,058
C-Professional Service Contracts					
E-Goods and Other Services	17,400	17,400	34,800	28,800	28,800
G-Travel	3,400	3,400	6,800	4,800	4,800
J-Capital Outlays	20,000		20,000	20,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	143,224	143,224	286,448	201,322	201,322
9-					
Total \$	619,356	599,356	1,218,712	866,842	846,842

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 2026	FY 2027	2025-27	2027-29	2029-31
Commerce Specialist 3	84,518	1.0	1.0	1.0	1.0	1.0
Commerce Specialist 5	98,040	1.0	1.0	1.0	1.0	1.0
IT Data Management - Journey	112,538	0.1	0.1	0.1	0.1	0.1
IT Security - Journey	107,149	0.1	0.1	0.1	0.1	0.1
Management Analyst 5	98,040	1.0	1.0	1.0		
WMS Band 2	126,529	0.1	0.1	0.1	0.1	0.1
WMS Band 3	142,511	0.1	0.1	0.1	0.1	0.1
Total FTEs		3.4	3.4	3.4	2.4	2.4

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Community Services Division (300)	619,356	599,356	1,218,712	866,842	846,842
Total \$	619,356	599,356	1,218,712	866,842	846,842

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 15 directs the Department to adopt rules within the Washington Administrative Code necessary to establish the Office of Senior Independent Living Ombuds and implement Title 18 RCW.

Individual State Agency Fiscal Note

Bill Number: 5691 SB	Title: Continuing care oversight	Agency: 300-Department of Social and Health Services
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT		FY 2026	FY 2027	2025-27	2027-29	2029-31
General Fund-Private/Local	001-7	2,569,000	2,569,000	5,138,000	4,830,000	4,830,000
	Total \$	2,569,000	2,569,000	5,138,000	4,830,000	4,830,000

Estimated Operating Expenditures from:

		FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years		2.0	2.0	2.0	1.0	1.0
Account						
General Fund-Private/Local	001-7	2,574,000	2,564,000	5,138,000	4,830,000	4,830,000
	Total \$	2,574,000	2,564,000	5,138,000	4,830,000	4,830,000

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: Julie Tran	Phone: 360-786-7283	Date: 02/06/2025
Agency Preparation: Mitchell Close	Phone: 3600000000	Date: 02/13/2025
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/13/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/18/2025

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.

Section 1 revises RCW 18.390.010 to add and amend definitions.

Section 2 revises RCW 18.390.030 to adjust the requirements for registration of a facility as a continuing care retirement community (CCRC). Beginning July 1, 2027, applicants must submit proof of licensure as an assisted living facility and as a nursing facility. This section changes the financial statement component of the application to include requirements around an expected fee structure and positive projected cash and investment balances over the past ten years. Applicants must also submit an implementation plan. The Department of Social and Health Services (DSHS) must contract for an actuarial analysis of CCRCs based on the financial statements submitted as a requirement of this section. DSHS must base its decision to issue a registration on the actuarial analysis, verification of good standing regarding licenses the CCRC has, and verification that the implementation plan and other documents meet the requirements of this chapter. If denied, CCRCs can appeal and continue to operate, but cannot enter into any new residency agreements.

Section 3 revises RCW 18.390.040 to specify that DSHS shall register applicants who meet the requirements as established in Section 2.

Section 4 adds a new section stating that DSHS cannot accept new CCRCs until July 1, 2027, and current CCRCs with valid registrations can continue to operate until September 30, 2027, provided they apply for a new registration by July 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.

Section 2(2) requires DSHS to contract with an organization to provide actuarial analysis for CCRC registration applicants. Section 3(1)(a) requires DSHS to review CCRC registration applicants' submissions and determine if they meet the requirements in Section 2. In order to perform the review over CCRC registration applicants and the expanded requirements for applicants in Section 2, the department requires 2.0 FTEs, with one of those staff for two years and the other ongoing. The cost per year for these staff plus the cost to contract for actuarial analysis (\$5.6M per biennium for 23 facilities), is below.

- FY26: \$2,574,000
- FY27: \$2,564,000
- FY28 and beyond: \$2,415,000

Section 3(1)(b) allows the department to establish and collect a fee sufficient to cover the requirements of chapter 18.390. DSHS currently has a fee of \$900 for applicants, but with the new requirements, this would increase. Based on a known 23 current CCRC facilities and on a two-year registration cycle, DSHS proposes the below fees by biennium for CCRC registration applicants to cover the costs above.

- 25-27 Biennial fee: \$224,288
- 27-29 Biennial and beyond fee: \$210,897

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.

Section 3(1)(a) requires DSHS to review CCRC registration applicants' submissions and determine if they meet the requirements in Section 2. In order to perform the review over CCRC registration applicants and the expanded

requirements for applicants in Section 2, the DSHS Aging and Long-Term Support Administration (ALTSA) requires 2.0 FTEs:

- 1.0 Policy Program Manager FTE to complete rulemaking, for program management, and to develop standard operating procedures. This position would be for two years.
- 1.0 Program Specialist 3 FTE to process and review application documentation. This position would be ongoing.

The cost per year for these staff is below.

- FY26: 2.0 FTEs - \$274,000
- FY27: 2.0 FTEs - \$264,000
- FY28 and beyond: 1.0 FTE - \$115,000

Section 2(2) requires DSHS to contract with an organization to provide actuarial analysis for CCRC registration applicants. Based on the current CCRC facilities and the two-year registration period, the cost for the actuarial analysis per year is \$2,300,000.

Section 3(1)(b) allows the department to establish and collect a fee sufficient to cover the requirements of chapter 18.390. To cover the increased costs listed above, ALTSA would increase the current \$900 fee to the below fee by biennium:

- 25-27 Biennial fee: \$224,288
- 27-29 Biennial and beyond fee: \$210,897

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-7	General Fund	Private/Local	2,574,000	2,564,000	5,138,000	4,830,000	4,830,000
Total \$			2,574,000	2,564,000	5,138,000	4,830,000	4,830,000

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.0	2.0	2.0	1.0	1.0
A-Salaries and Wages	179,000	179,000	358,000	150,000	150,000
B-Employee Benefits	63,000	63,000	126,000	58,000	58,000
C-Professional Service Contracts	2,300,000	2,300,000	4,600,000	4,600,000	4,600,000
E-Goods and Other Services	12,000	12,000	24,000	12,000	12,000
G-Travel					
J-Capital Outlays	12,000	2,000	14,000	2,000	2,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	8,000	8,000	16,000	8,000	8,000
9-					
Total \$	2,574,000	2,564,000	5,138,000	4,830,000	4,830,000

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
Policy Program Manager	104,496	1.0	1.0	1.0		
Program Specialist 3	74,722	1.0	1.0	1.0	1.0	1.0
Total FTEs		2.0	2.0	2.0	1.0	1.0

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Aging and Long-Term Support Administration (050)	2,574,000	2,564,000	5,138,000	4,830,000	4,830,000
Total \$	2,574,000	2,564,000	5,138,000	4,830,000	4,830,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

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