

Multiple Agency Fiscal Note Summary

Bill Number: 5480 E S SB	Title: Medical debt
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Estimated Cash Receipts

NONE

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Total						
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Fiscal note not available					

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
Administrative Office of the Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
University of Washington	.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	0	0	0

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Val Terre, OFM	Phone: (360) 280-3073	Date Published: Preliminary 3/20/2025
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Judicial Impact Fiscal Note

Bill Number: 5480 E S SB	Title: Medical debt	Agency: 055-Administrative Office of the Courts
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

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

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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 for 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.

Legislative Contact: Megan Mulvihill	Phone: 360-786-7304	Date: 03/12/2025
Agency Preparation: Chris Conn	Phone: 360-704-5512	Date: 03/13/2025
Agency Approval: Chris Stanley	Phone: 360-357-2406	Date: 03/13/2025
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 03/13/2025

205,227.00

Request # 299-1

Part II: Narrative Explanation

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

The engrossed substitute bill makes technical corrections to conform to the bill with changes made in the substitute.

The original bill expanded the definition of “medical debt” and bars covered providers, facilities, and collection agencies from reporting it to consumer credit reporting agencies. It also required contracts creating such debt to include specified terms and voids contracts lacking them and deems noncompliance with no-reporting or required contract language terms to be a Consumer Protection Act (CPA) violation.

II. B - Cash Receipts Impact

None

II. C - Expenditures

Indeterminate. Caseloads may increase as this bill provides additional grounds for CPA claims. Given the number of personnel with unpaid medical debt, the increase could be significant. The Administrative Office of the Courts (AOC) has no data available to estimate the number of cases that would be filed because of this bill.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

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

III. B - Expenditure By Object or Purpose (County)

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

III. C - Expenditure By Object or Purpose (City)

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

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

205,227.00

Form FN (Rev 1/00)

IV. C - Capital Budget Breakout

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

NONE

None

Individual State Agency Fiscal Note

Bill Number: 5480 E S SB	Title: Medical debt	Agency: 100-Office of Attorney General
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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: Megan Mulvihill	Phone: 360-786-7304	Date: 03/12/2025
Agency Preparation: Dan Jensen	Phone: 360-664-9429	Date: 03/17/2025
Agency Approval: Joe Zawislak	Phone: 360-586-3003	Date: 03/17/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 03/17/2025

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.

- 1. The Attorney General’s Office (AGO) Social & Health Services Division (SHO) has reviewed this bill and determined it will not increase or decrease the division’s workload. The enactment of this bill will not impact the provision of legal services to the Department of Social and Health Services (DSHS). This bill does not appear to implicate the activity of DSHS, including the Office of Financial Recovery (OFR). Therefore, no costs are included in this request.
- 2. The AGO University of Washington (UOW) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the University of Washington (UW). New legal services are nominal, and costs are not included in this request.
- 3. The AGO Agriculture & Health Division (AHD) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Department of Health (DOH) or the Department of Commerce (Commerce). This bill would give DOH and relevant health profession boards and commissions the authority to bring enforcement action against a hospital or provider for providing information about medical debt to credit reporting agencies. DOH may need legal advice on and representation in enforcement matters, but any such matters that proceed to hearing are presumed to be minimal. Commerce was assigned this fiscal note request for its role in estimating the impact of bills on local governments. Commerce itself would not be given any new authorities or responsibilities under this bill. New legal services are nominal, and costs are not included in this request.
- 4. The AGO Consumer Protection Division (CPR) has reviewed this bill and determined it will not increase or decrease the division’s workload. The enactment of this bill will not impact the provision of legal services by CPR. CPR already investigates and prosecutes actions involving collection and reporting of medical debt. Therefore, no costs are included in this request.
- 5. The AGO Solicitor General’s Office Division (SGO) has reviewed this bill and determined it will not increase or decrease the division’s workload in advice or litigation. Therefore, no costs are included in this request.

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: 5480 E S SB	Title: Medical debt	Agency: 300-Department of Social and Health Services
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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: Megan Mulvihill	Phone: 360-786-7304	Date: 03/12/2025
Agency Preparation: Cassi Postma	Phone: 3609999999	Date: 03/17/2025
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 03/17/2025
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 03/19/2025

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.

Engrossed Substitute Senate Bill 5480 (ES SB 5480) concerning the protection of consumers by removing barriers created by medical debt. ES SB 5480 prohibits the disclosure of medical debt to a consumer credit reporting agency. Additionally, any disclosure of medical debt to a consumer credit reporting agency voids the debt and violates RCW 19.86 Consumer Protection Act.

Enacting ES SB 5480 into law will not create any new work or obligations to the Department of Social and Health Services (DSHS), therefore creates no fiscal impact to DSHS.

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.

None.

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.

None.

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

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: 5480 E S SB	Title: Medical debt	Agency: 303-Department of Health
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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: Megan Mulvihill	Phone: 360-786-7304	Date: 03/12/2025
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 03/17/2025
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 03/17/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 03/18/2025

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.

Engrossed Substitute Senate Bill 5480 seeks to protect consumers by removing barriers created by medical debt.

Section 2: Adds a new chapter to RCW 70.54 (Miscellaneous Health and Safety Provisions) stating a medical debt is void and unenforceable if a person, health care provider, health care facility, or licensed collection agency violates this section by furnishing information regarding the medical debt to a consumer credit reporting agency. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act.

Section 5(2): Amends RCW 70.41 (Hospital Licensing and Regulation) stating hospitals, physician groups, and other professional partners may not furnish information relating to a medical debt to a consumer credit reporting agency. A medical debt is void and unenforceable if a hospital, physician group, or professional partner violates this subsection. A violation of this subsection is deemed a violation of the law governing the license of the hospital, physician group, or professional partner

For the purpose of this fiscal note, the department estimates the staff costs to be minimal. Existing staff will process and investigate any hospital complaints within their normal workload. Therefore, no fiscal impact to the department.

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: 5480 E S SB	Title: Medical debt	Agency: 360-University of Washington
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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: Megan Mulvihill	Phone: 360-786-7304	Date: 03/12/2025
Agency Preparation: Michael Lantz	Phone: 2065437466	Date: 03/20/2025
Agency Approval: Michael Lantz	Phone: 2065437466	Date: 03/20/2025
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/20/2025

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.

Engrossed Substitute Senate Bill 5480 concerns medical debt. This is the first version of the measure the University of Washington (UW) has been asked to evaluate.

Section 1 redefines “medical debt” for the purposes of RCW 19.16.

Section 2 renders medical debt void and unenforceable if information related to it is furnished to a consumer credit reporting agency by a person, health care provider, health care facility, or licensed collection agency. It also specifies the application of the Consumer Protection Act (RCW 19.86) to the section.

Section 3 amends RCW 19.16.250 to be covered by the Consumer Protection Act.

Section 4 prohibits credit agencies from making a consumer report including medical debt.

Section 5 prohibits hospitals, physician groups, and other related professional groups from furnishing medical debt information to a consumer credit reporting agency. A violation of this provision renders the debt void and unenforceable, is a violation of the license governing the entity, and violates the Consumer Protection Act.

UW anticipates being able to comply with the provisions of ESSB 5480 without additional resources and expects only minimal and indeterminate impacts to revenue. Due to limits in current state law and internal operating processes, medical debt is rarely reported to credit agencies. Therefore, this fiscal note is assessed as “no impact.”

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.