

Multiple Agency Fiscal Note Summary

Bill Number: 5232 SB 5232-S.E AMH ELHS H1986.1	Title: Essential needs program uses
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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. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

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	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Health Care Authority	Fiscal note not available											
Department of Social and Health Services	.4	383,000	383,000	383,000	.1	57,000	57,000	57,000	.0	0	0	0
Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.4	383,000	383,000	383,000	0.1	57,000	57,000	57,000	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									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

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
Washington State Health Care Authority	Fiscal note not available								
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
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									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Marie Davis, OFM	Phone: (360) 890-1163	Date Published: Preliminary 4/ 2/2025
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Individual State Agency Fiscal Note

Bill Number: 5232 SB 5232-S.E AMH ELHS H1986.1	Title: Essential needs program uses	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: Omeara Harrington	Phone: 360-786-7136	Date: 03/21/2025
Agency Preparation: Paul Bitar	Phone: 3607014882	Date: 03/22/2025
Agency Approval: Paul Bitar	Phone: 3607014882	Date: 03/22/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 04/02/2025

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.

Relative to 5232 ESSB, 5232-S.E AMH ELHS H1986.1: (1) Specifies that direct cash assistance under the Essential Needs and Housing Supports (HEN) program and programs funded through the Home Security Fund may be provided in the form of debit cash cards; (2) Expands the list of primary eligibility categories for a referral to the HEN program to include victims of human trafficking; and (3) Removes the requirement that, in order to qualify for a referral to the HEN program, a person must be a citizen, an alien lawfully admitted for permanent residence or otherwise living in the United States under color of law, or a victim of human trafficking.

Section 1 clarifies the essential needs and housing support (HEN) program is not an entitlement and, at the discretion of the Department of Commerce (Department), allows the Department to approve low and extremely low-income elderly individuals to receive benefits from HEN without a referral. Adds referrals must be verified every 12 months. Enables direct cash transfers to be added to the services provided by HEN and specifies that direct cash assistance may be provided in the form of debit cash cards. Removes the mandatory seven percent funds set aside for administrative expenses and allows HEN to align the administrative budget to other programs using home security account funds.

Section 2 adds a referral process for applicants to be qualified to receive funds from HEN.

Section 3 allows for document recording fees deposited into the home security account to be used for direct cash assistance.

Section 4 adds language for the new referral process as well as the governing RCW.

Section 5 expands the list of primary eligibility categories for a referral to the HEN program to include victims of human trafficking. Adds an exception for a referral if a person is exempted under RCW 43.185C.220. Removes the requirement that, in order to qualify for a referral to the HEN program, a person must be a citizen, an alien lawfully admitted for permanent residence or otherwise living in the United States under color of law, or a victim of human trafficking.

Section 6 expands the ability for recipients of HEN to include individuals with a referral.

5232-S.E AMH ELHS H1986.1 is in response to the Department of Commerce's agency request legislation and there would be no fiscal impacts for the agency to implement the revised statutory language.

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.

No impact to cash receipts.

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.

No impact to expenditures.

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

No impact to the capital budget.

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: 5232 SB 5232-S.E AMH ELHS H1986.1	Title: Essential needs program uses	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:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	0.4	0.4	0.1	0.0
Account					
General Fund-State 001-1	155,000	228,000	383,000	57,000	0
Total \$	155,000	228,000	383,000	57,000	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: Omeara Harrington	Phone: 360-786-7136	Date: 03/21/2025
Agency Preparation: Seth Nathan	Phone: 360-902-0001	Date: 04/01/2025
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 04/01/2025
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 04/02/2025

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.

This bill relates to updating eligible uses for the essential needs and housing support program.

Subsection 1(1) allows low or extremely low-income elderly or disabled individuals who are transitioning off benefits under RCW 74.04.805, receiving federal social security benefits, and still have an immediate housing need to access Housing and Essential Needs (HEN) assistance without a referral from the Department of Social and Health Services (DSHS).

Subsection 1(5) allows essential needs and housing support entities to provide essential needs and housing support benefits in the form of direct cash assistance. This section stipulates that direct cash assistance is only allowable when it would address a need in the client's housing stability plan, and may be provided through debit cards or other forms of flexible funding, including vouchers for transportation, gift cards, direct payments to vendors, and other similar methods of assistance.

Section 5 adds victims of human trafficking as defined in RCW 74.04.005 to the list of eligibility categories for the HEN Referral without a disability or incapacity requirement, and eliminates the HEN referral incapacity program requirement to be a citizen, an alien lawfully admitted for permanent residence or otherwise living in the United States, or a victim of human trafficking.

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.

No cash receipts.

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.

Subsection 1(1) allows low or extremely low-income elderly or disabled individuals who are transitioning off benefits under RCW 74.04.805, receiving federal social security benefits, and still have an immediate housing need to access HEN assistance without a referral from DSHS.

Subsection 1(5) allows essential needs and housing support entities to provide essential needs and housing support benefits in the form of direct cash assistance. This section stipulates that direct cash assistance is only allowable when it would address a need in the client's housing stability plan, and may be provided through debit cards or other forms of flexible funding, including vouchers for transportation, gift cards, direct payments to vendors, and other similar methods of assistance. This section also requires that a HEN referral from DSHS for rental assistance must be verified by the housing support service provider every 12 months.

Per the Department of Commerce, it is assumed these requirements will not change processes related to its work with DSHS or the Health Care Authority (HCA). As such, the DSHS Economic Services Administration (ESA) estimates no caseload or workload impacts resulting from the implementation of this section, and therefore no fiscal impact.

ESA, in consultation with Commerce, assumes the provision of allowing HEN providers the flexibility to use program funds to provide essential needs items and housing support in the form of direct cash assistance is intended to provide clients with one-time or limited assistance for housing stability and support. Therefore, ESA does not anticipate material impacts to

client benefits.

DSHS clients who receive direct cash assistance as a HEN support would need to report this income in accordance with program reporting rules. ESA expects any resulting impacts to caseloads or other cash and food assistance provided by the department would be immaterial.

HEN referral eligibility is currently verified by housing support service providers every three months, per grant guidelines, therefore no impact is anticipated in association with the requirement to verify every 12 months.

Section 5 expands the list of primary eligibility categories for a referral to the HEN program to include victims of human trafficking as defined in RCW 74.04.005 without a disability or incapacity requirement, and eliminates the HEN referral incapacity program requirement to be a citizen, an alien lawfully admitted for permanent residence or otherwise living in the United States, or a victim of human trafficking. However, RCW 74.04.805 requires people to provide a social security number (SSN) or to show that an application one has been submitted, except for victims of human trafficking - without the SSN requirement being removed, individuals without an immigration status (undocumented) would remain ineligible for the HEN incapacity program.

ESA anticipates no fiscal impact associated with Community Services Division (CSD) caseload or workload, as the potential increase in cases for victims of human trafficking is anticipated to be minimal and able to be absorbed within existing resources. Currently, the Automated Client Eligibility System (ACES) does not support eligibility for a HEN referral or Medical Care Services (MCS) without an incapacity determination coded in the system for this population. Systems and training would need to be updated to support the implementation of this bill even if the number of individuals eligible for a HEN referral under the expansion would be small.

The Technology Innovation Administration (TIA) anticipates significant systems impacts associated with the implementation of this bill. This amendment would expand eligibility populations for the HEN Referral and MCS programs, resulting in misalignment between HEN Referral and Aged, Blind, or Disabled (ABD) program eligibility rules. Necessary system changes will include modifications to eligibility processing rules, data elements, databases, interfaces, and various client letters. TIA anticipates work would not be able to be feasibly completed to meet an assumed effective date of 90 days following the conclusion of the 2025 legislative session. This fiscal note assumes work will begin November 1, 2025, and will be promoted in October 2027 in order to release December 1, 2027.

TIA estimates the following impacts associated with gathering requirements, developing a design solution, making programming changes, conducting testing, and releasing programming changes in ACES and Barcode:

- Fiscal Year (FY) 2026
 - \$45,000 and 0.3 FTE for IT staff work
 - \$110,000 for 515 hours of IT Contractor work, assuming a rate of \$214 per hour
- FY 2027
 - \$63,000 and 0.4 FTE for IT staff work
 - \$165,000 for 772 hours of IT Contractor work, assuming a rate of \$214 per hour
- FY 2028
 - \$16,000 and 0.2 FTE for IT staff work
 - \$41,000 for 193 hours of IT Contractor work, assuming a rate of \$214 per hour

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	155,000	228,000	383,000	57,000	0
Total \$			155,000	228,000	383,000	57,000	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	0.4	0.4	0.1	
A-Salaries and Wages	29,000	44,000	73,000	11,000	
B-Employee Benefits	9,000	14,000	23,000	3,000	
C-Professional Service Contracts					
E-Goods and Other Services	114,000	169,000	283,000	43,000	
G-Travel					
J-Capital Outlays	2,000		2,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	1,000	1,000	2,000		
9-					
Total \$	155,000	228,000	383,000	57,000	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 2026	FY 2027	2025-27	2027-29	2029-31
IT APP DEVELOPMENT - SENIOR SPECIALIST	127,174	0.1	0.1	0.1	0.1	
IT BUSINESS ANALYST - SENIOR SPECIALIST	121,109	0.1	0.1	0.1	0.1	
IT QUALITY ASSURANCE - SENIOR / SPECIALIST	121,109	0.1	0.2	0.2		
Total FTEs		0.3	0.4	0.4	0.1	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.

Implementation of this bill may require a change to WAC 388-400-0065 and other related rules.

Individual State Agency Fiscal Note

Bill Number: 5232 SB 5232-S.E AMH ELHS H1986.1	Title: Essential needs program uses	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:

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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: Omeara Harrington	Phone: 360-786-7136	Date: 03/21/2025
Agency Preparation: Amy Burkel	Phone: 3602363000	Date: 03/21/2025
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 03/21/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 03/31/2025

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.

Fiscal impact has not changed from previous version.

This bill provides the Department of Commerce discretion in continuing to serve low or extremely low-income elderly or disabled adults who are transitioning off Housing and Essential Needs Referral Program (HEN) benefits, receiving federal Social Security benefits and still have an immediate housing.

The Department of Health is not named anywhere in this bill, nor does it impact any of the department's programs. No fiscal 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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5232 SB 5232-S.E AMH ELHS H1986.1	Title: Essential needs program uses
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☐ Cities:
- ☐ Counties:
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☒ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Hailey Brown	Phone: 360-725-5035	Date: 03/26/2025
Leg. Committee Contact: Omeara Harrington	Phone: 360-786-7136	Date: 03/21/2025
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 03/26/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 04/02/2025

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

(1) Specifies that direct cash assistance under the Essential Needs and Housing Supports (HEN) program and programs funded through the Home Security Fund may be provided in the form of debit cash cards (rather than debit cards in the underlying bill), and that additional listed forms of flexible funding assistance may be provided in addition to debit cash cards

(2) Expands the list of primary eligibility categories for a referral to the HEN program to include victims of human trafficking (in addition to persons eligible for certain cash assistance programs and persons incapacitated from gainful employment, in current law)

(3) Removes the requirement that, in order to qualify for a referral to the HEN program, a person must be a citizen, an individual lawfully admitted for permanent residence or otherwise living in the United States under color of law, or a victim of human trafficking.

SUMMARY OF CURRENT BILL:

The primary categories of eligibility for a referral to the Essential Needs and Housing Support program (HEN) are expanded to include victims of human trafficking, in addition to the current law categories allowing referrals of persons eligible for certain cash assistance programs or incapacitated from gainful employment. The requirement is removed that, in order to be eligible for a HEN referral, a person qualifying under a primary eligibility category must also be a citizen, a lawful permanent resident residing in the United States under color of law, or a victim of human trafficking.

The Department of Commerce may, in its discretion, use HEN funds to support low- or extremely low-income elderly or disabled adults who are transitioning off HEN program benefits, are receiving federal Social Security benefits, and still have an immediate housing need. A referral from the Department of Social and Health Services (DSHS) is not required for these individuals.

Assistance through the HEN program and through Home Security Fund (HSF) supported programs may be in the form of direct cash assistance to address a need identified in the client's housing stability plan. Direct cash assistance may be in the form of debit cash cards. Flexible funding assistance, such as vouchers for transportation, gift cards, direct payments to vendors, and other similar methods of assistance are permitted in addition to debit cash cards.

The administrative rate for HEN support agencies must align with the rate for programs funded through the HSF. A HEN referral from the DSHS for rental assistance must be verified by the housing support service provider every 12 months.

Local government involvement in this assistance referral process remains unchanged.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This legislation will have no impact on local government expenditures.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This legislation will have no impact on local government revenues.

