

Individual State Agency Fiscal Note

Bill Number: 1533 E S HB AMS LC S2640.1	Title: Specialty electricians	Agency: 235-Department of Labor and Industries
--	--------------------------------------	---

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	1.6	1.2	1.4	0.6	0.6
Account					
Accident Account-State 608-1	190,000	128,000	318,000	132,000	132,000
Medical Aid Account-State 609-1	35,000	23,000	58,000	24,000	24,000
Total \$	225,000	151,000	376,000	156,000	156,000

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact:	Phone:	Date: 04/15/2025
Agency Preparation: Allison Kaech	Phone: 000-000-0000	Date: 04/18/2025
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 04/18/2025
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 04/18/2025

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.

See attached.

II. B - Cash receipts Impact

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

See attached.

II. C - Expenditures

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

See attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
608-1	Accident Account	State	190,000	128,000	318,000	132,000	132,000
609-1	Medical Aid Account	State	35,000	23,000	58,000	24,000	24,000
Total \$			225,000	151,000	376,000	156,000	156,000

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.6	1.2	1.4	0.6	0.6
A-Salaries and Wages	133,000	99,000	232,000	102,000	102,000
B-Employee Benefits	47,000	35,000	82,000	36,000	36,000
C-Professional Service Contracts					
E-Goods and Other Services	27,000	15,000	42,000	18,000	18,000
G-Travel	2,000	2,000	4,000		
J-Capital Outlays	16,000		16,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	225,000	151,000	376,000	156,000	156,000

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
AC 3	80,460	0.5	0.6	0.5	0.6	0.6
ARA 4	91,068	1.0	0.5	0.8		
FA 5	76,608	0.1	0.1	0.1		
Total FTEs		1.6	1.2	1.4	0.6	0.6

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.

See attached.

Part II: Explanation

This bill directs the Department of Labor and Industries (L&I) to adopt rules to allow a person with an electrical training certificate for a journey level electrician apprenticeship program to work under their valid specialty electrician certificate of competency while participating in the program under specific conditions; adding a new section to chapter 49.04 RCW.

ESHB 1533 as amended by the Senate is different from ESHB 1533 in that it:

- Adds an effective date of January 1, 2026

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 1:

Allows single-employer (01) electrician apprenticeship programs to employ apprentices in their specialty without changing the apprentice's status if the employer meets the following requirements:

- The employer must submit a quarterly report of the hours worked by the apprentice in the apprentice's specialty; and
- The employer provides annual notice to the apprentice about this section and describe the requirements, wages, and possible delays to the apprentice's wage progression and completion of the apprenticeship.

Additionally, any and all hours worked in the apprentice's specialty do not count toward on-the-job training (OJT) requirements in the apprenticeship.

The bill exempts the employer from the standard of reasonably continuous employment as long as the employer provides at least 800 hours of OJT each year to the apprentice.

This bill also gives L&I rulemaking authority and allows L&I to suspend an employer from this authorization if they do not comply with the reporting requirements.

II. B – Cash Receipt Impact

None.

II. C – Expenditures

Appropriated – Operating Costs

This proposed bill increases expenditures to the Accident Account, fund 608, and the Medical Aid Account, 609. The following assumptions were used to estimate the resources requested to implement this bill.

Staffing

0.6 FTE, Apprenticeship Consultant 3 (AC3), permanent starting October 1, 2025. Duties include: tracking and reviewing quarterly hour reports required by this new statutory requirement as well as reconciling the quarterly reports with the semi-annual OJT reports to determine whether the program standards are met; consulting and performing compliance reviews; enforcing state and federal laws; investigating established programs for conformity to standards and complaints of individual apprentices; maintaining current files of agreements between registered apprentices and their programs.

- Currently, a compliance review takes one AC3 8-18 hours to complete. The added complexity of the reporting requirements of the bill would increase the time required to complete a single compliance review to an estimated 30 hours.
- There are 4-6 current programs affected by this bill. However, L&I assumes a moderate increase in the number of single-employer electrical registered apprenticeship programs due to this bill as well as the requirement of all journey-level electricians to complete a registered apprenticeship (no more trainees) beginning in 2026, estimating that a total of 20 programs will be required to submit quarterly hours reports.
- 20 programs X 30 hours per compliance review per FTE per year = 600 hours per AC3 FTE per year.
- The estimated increase to 20 total single-employer electrical registered apprenticeship programs would also result in an increase in the compliance review and program submission workload, which the AC3 would be responsible for.
- The AC3 compliance review and program submission workload accounts for an estimated 30 percent of the AC3's total annual work hours.
- 2,088 working hours per FTE per year X .30 = 626 hours per AC3 FTE per year

- The combined responsibilities results in the need for additional 0.6 AC3 FTE (1,226 hours / 2,088 hours per FTE per year).

1.0 FTE, Administrative Regulations Analyst (ARA) 4, temporary, July 1, 2025 – December 31, 2026. Duties include conduct complex rulemaking activities with input from Washington State Apprenticeship and Training Council (WSATC) WAC/RCW and Electrical subcommittees.

- One ARA4 FTE is required to in order to complete the rulemaking, stakeholdering, and policy activities to implement this bill.

Rule making

\$7,500 is needed for three rule making hearings to occur during summer and fall of 2025. The average cost of one rule making hearing is \$2,500. (3 hearings x \$2,500 each = \$7,500)

Indirect Costs

The amount included in this fiscal note for indirect is:

Fund Name		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
608	Accident	8,701	6,747	3,835	3,835	3,835	3,835
609	Medical Aid	1,536	1,191	677	677	677	677
	Total:	\$10,237	\$7,938	\$4,512	\$4,512	\$4,512	\$4,512

The department assesses an indirect rate to cover agency-wide administrative costs. Labor and Industries' indirect rate is applied on salaries, benefits, and standard costs. For fiscal note purposes, the total indirect amount is converted into salary and benefits for partial or full indirect FTEs. Salary and benefits costs are based on a Fiscal Analyst 5 (Range 59, Step G).

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

This legislation would result in rule changes to:

- Chapter 296-05 WAC – Apprenticeship Rules