

Multiple Agency Fiscal Note Summary

Bill Number: 1170 2S HB	Title: AI content notices
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Estimated Cash Receipts

NONE

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
Office of Attorney General	.0	0	0	0	.9	198,000	198,000	198,000	.0	0	0	0
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.9	198,000	198,000	198,000	0.0	0	0	0

Estimated Capital Budget Expenditures

NONE

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General									
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Commerce									
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Val Terre, OFM	Phone: (360) 280-3073	Date Published: Final 1/23/2026
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Individual State Agency Fiscal Note

Bill Number: 1170 2S HB	Title: AI content notices	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:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.0	0.0	0.0	0.9	0.0
Account					
General Fund-State 001-1	0	0	0	198,000	0
Total \$	0	0	0	198,000	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: Emily Poole	Phone: 360-786-7106	Date: 01/19/2026
Agency Preparation: Chad Standifer	Phone: 3605863650	Date: 01/22/2026
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 01/22/2026
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 01/23/2026

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: New Section. Legislative findings.

Section 2: New Section. Definitions, including of “covered provider”; clarifies that public entities and tribal nations are not covered providers.

Section 3: New Section. Requires covered providers to make available an AI detection tool, at no cost, which meets listed criteria.

Section 4: New Section. Requires a provider of a generative AI system to offer users the option of including a manifest disclosure in content created or altered by the system; requires providers of a generative AI system to include a latent disclosure in content created by the system; extends the latent disclosure requirement to third parties that are licensed a generative AI system.

Section 5: New Section. Provides that this Act does not apply to any product, service, website, or application that provides video game, TV, streaming, movie, or interactive experiences.

Section 6: New Section. Prohibits any waiver of the provisions of this chapter; makes a violation of this chapter an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying chapter 19.86 RCW.

Section 7: New Section. Makes Section 1 through 6 of this Act a new chapter in Title 19 RCW.

Section 8: New Section. Provides an effective date of January 1, 2028.

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. The Attorney General's Office (AGO) Consumer Protection Division (CPR) activities require General Fund-State. CPR enforces the Consumer Protection Act (CPA) against entities who violate RCW 19.86.020, which broadly prohibits unfair or deceptive acts or practices in trade or commerce. CPR's focus is on holding businesses and individuals accountable for conduct that misleads consumers. There is no cash receipt impact.

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.

Attorney General’s Office (AGO) Agency Assumptions:

Legal services associated with the enactment of this bill will begin on January 1, 2028 (FY 2028).

Location of staffing is assumed to be in a King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a

representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

1. Assumptions for the AGO Consumer Protection Division (CPR) Legal Services:

The AGO CPR has reviewed this bill and determined it will increase the division’s workload. CPR assumes HB 1170’s effective date of January 1, 2028, will allow industry participants substantial additional time following passage to come into compliance. CPR assumes industry compliance will be incentivized by the need to comply with laws in other states that take effect sooner. CPR also assumes that enforcement activity during the first 18 months after the effective date will take the form of monitoring for compliance and opening one to two investigations, with no litigation activity. CPR assumes monitoring for compliance in FY 2028 will require: 0.125 AAG to investigate potential violations, draw conclusions from investigation, draft Criminal Investigative Demand (CID)/discovery requests, and engage in settlement negotiations;; 0.125 AGO Sr Investigator FTE (INV) to interview witnesses, review investigative records, and other investigative tasks as assigned;; and lastly 0.05 Paralegal 2 FTE (PL2) to assist with CID preparation, document management, and other tasks as assigned; and with direct costs of \$1,000 for E-document management for investigative records. CPR assumes the following needs in FY 2028: 0.25 AAG, 0.25 INV, and 0.1 PL2 for the same taskings with direct costs of \$1,000 for E-document management for investigative records. CPR assumes after the first 18 months, the industry will come into full or nearly-full compliance, requiring no further enforcement activity by CPR (Note that fiscal impact projections start on January 1, 2028, per section 8).

CPR total workload hours:

FY 2026: 0 hours

FY 2027: 0 hours

FY 2028: 225 AAG hours, 225 INV hours, and 90 PL2 hours

FY 2029: 450 AAG hours, 450 INV hours, and 180 PL2 hours

FY 2030 and in each FY thereafter: 0 hours

CPR total King County workload impact:

FY 2026: \$0

FY 2027: \$0

FY 2028: \$66,000 for 0.2 AAG, 0.2 INV, and 0.1 PL2, which includes direct litigation costs of \$1,000

FY 2029: \$132,000 for 0.3 AAG, 0.3 INV, and 0.1 PL2, which includes direct litigation costs of \$1,000

FY 2030 and in each FY thereafter: \$0

2. The AGO Transportation and Public Construction Division (TPC) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Washington Technology Solutions (WaTech). The enactment of this bill will not impact the provision of legal services to WaTech because 2SHB 1170 specifically excludes government agencies in the definition of “Covered Providers” and AAG support would be limited to assisting AGO enforcement personnel connect with subject matter experts at WaTech which would be covered within standard representation and would not result in an increase in AGO usage. Therefore, no costs are included in this request.

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	0	0	0	198,000	0
Total \$			0	0	0	198,000	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years				0.9	
A-Salaries and Wages				138,000	
B-Employee Benefits				36,000	
C-Professional Service Contracts				2,000	
E-Goods and Other Services				21,000	
G-Travel				1,000	
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 \$	0	0	0	198,000	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
Assistant Attorney General-King County	143,740				0.3	
Management Analyst 5	98,040				0.1	
Paralegal 1-King County	76,944				0.2	
Paralegal 2-King County	84,846				0.1	
Senior Investigator-King County	111,408				0.3	
Total FTEs					0.9	0.0

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Consumer Protection Division (CPR)				198,000	
Total \$				198,000	

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.

Individual State Agency Fiscal Note

Bill Number: 1170 2S HB	Title: AI content notices	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: Emily Poole	Phone: 360-786-7106	Date: 01/19/2026
Agency Preparation: Kate Carney-Taylor	Phone: (360) 915-4686	Date: 01/20/2026
Agency Approval: Lucas Rubstello	Phone: (206) 613-7565	Date: 01/20/2026
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 01/21/2026

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.

SSHB 1170 ensures the public has access to reliable data to improve the public's ability to assess the accuracy and authenticity of content that reduces the risk of misinformation.

The Department of Commerce (Commerce) Office of Economic Development & Competitiveness (OEDC) is the secondary agency to SSHB 1170. The Attorney General's Office (AGO) Consumer Protection Division (CPR) is the lead agency.

OEDC has reviewed the bill and determined there is no impact to the Department of Commerce. 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.

There is no impact to the Department of Commerce. Therefore, no costs are included in this request.

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.