

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining
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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
Office of Attorney General	0	0	464,000	0	0	1,442,000	0	0	1,310,000
Office of Financial Management	0	0	1,851,000	0	0	1,928,000	0	0	1,829,000
Washington State Health Care Authority	Non-zero but indeterminate cost and/or savings. Please see discussion.								
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>2,315,000</b>	<b>0</b>	<b>0</b>	<b>3,370,000</b>	<b>0</b>	<b>0</b>	<b>3,139,000</b>

## 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	1.2	0	0	464,000	3.7	0	0	1,442,000	2.6	0	0	1,310,000
Office of Financial Management	1.2	0	0	1,851,000	2.0	0	0	1,928,000	2.0	0	0	1,829,000
Washington State Health Care Authority	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Department of Retirement Systems	.0	0	0	0	.0	0	0	0	.0	0	0	0
Public Employment Relations Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Corrections	.0	116,000	116,000	116,000	.0	361,000	361,000	361,000	.0	328,000	328,000	328,000
University of Washington	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Eastern Washington University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Central Washington University	.0	0	0	0	.0	0	0	0	.0	0	0	0
The Evergreen State College	.0	0	0	0	.0	0	0	0	.0	0	0	0
Western Washington University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Community and Technical College System	.0	0	0	0	.0	0	0	0	.0	0	0	0
Actuarial Fiscal Note - State Actuary	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>2.4</b>	<b>116,000</b>	<b>116,000</b>	<b>2,431,000</b>	<b>5.7</b>	<b>361,000</b>	<b>361,000</b>	<b>3,731,000</b>	<b>4.6</b>	<b>328,000</b>	<b>328,000</b>	<b>3,467,000</b>

## Estimated Capital Budget Expenditures

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 Financial Management	.0	0	0	.0	0	0	.0	0	0
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Department of Retirement Systems	.0	0	0	.0	0	0	.0	0	0
Public Employment Relations Commission	.0	0	0	.0	0	0	.0	0	0
Department of Corrections	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Eastern Washington University	.0	0	0	.0	0	0	.0	0	0
Central Washington University	.0	0	0	.0	0	0	.0	0	0
The Evergreen State College	.0	0	0	.0	0	0	.0	0	0
Western Washington University	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	.0	0	0	.0	0	0	.0	0	0
Actuarial Fiscal Note - State Actuary	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3073	<b>Date Published:</b> Final 3/ 9/2026
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 100-Office of Attorney General
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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
Legal Services Revolving Account-State 405-1		464,000	464,000	1,442,000	1,310,000
<b>Total \$</b>	0	464,000	464,000	1,442,000	1,310,000

### Estimated Operating Expenditures from:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.0	2.4	1.2	3.7	2.6
Legal Services Revolving Account-State 405-1	0	464,000	464,000	1,442,000	1,310,000
<b>Total \$</b>	0	464,000	464,000	1,442,000	1,310,000

### 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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Chad Standifer	Phone: 3605863650	Date: 02/27/2026
Agency Approval: Leah Snow	Phone: 360-968-4620	Date: 02/27/2026
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 03/02/2026

## 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: Amending RCW 41.80.020. Provides that employers are not required to bargain for health care benefits or other employee insurance benefits, except as required in subsection (3) and RCW 41.80.040(2).

Section 2: Amending RCW 41.80.040. Provides that the prohibition from employers bargaining over management rights, which include retirement plans and retirement benefits, does not prevent an employer from bargaining over contributions for supplemental retirement benefits administered by an employee organization that represents Department of Corrections (DOC) employees, including medical plans; provides that contributions for supplemental retirement benefits for DOC employees are a mandatory subject of bargaining.

This bill is assumed effective 90 days after the end of the 2026 legislative session.

### 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.*

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agencies are the Office of Financial Management (OFM) and Department of Corrections (DOC).

The Attorney General's Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency's fiscal note. Appropriation authority is necessary in the AGO budget.

OFM and DOC will be billed for non-King County rates:

FY 2026: \$0

FY 2027: \$464,000 for 1.0 Assistant Attorney General FTE (AAG), 0.5 Paralegal 2 FTE (PL2) and 0.5 Paralegal 1 FTE (PL1), which includes Special Assistant Attorney General (SAAG) contract costs of \$100,000

FY 2028: \$696,000 for 1.5 AAG, 0.8 PL2 and 0.8 PL1, which includes SAAG contract costs of \$150,000

FY 2029: \$746,000 for 1.5 AAG, 0.8 PL2 and 0.8 PL1, which includes SAAG contract costs of \$200,000

FY 2030: \$796,000 for 1.5 AAG, 0.8 PL2 and 0.8 PL1, which includes SAAG contract costs of \$250,000

FY 2031 and in each FY thereafter: \$514,000 for 0.5 AAG, 0.5 PL2 and 0.3 PL1, which includes SAAG contract costs \$300,000

### 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:

This bill is assumed effective 90 days after the end of the 2026 legislative session.

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

Total workload impact for 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 Labor and Personnel Division's (LPD) Legal Services for the Office of Financial Management (OFM) and Department of Corrections (DOC):

The AGO will bill OFM and DOC for legal services based on the enactment of this bill, including for the use of Special Assistant Attorney's General (SAAG) services for expertise related to Employee Retirement Income Security Act (ERISA) compliance and IRS issues, when required. Prior assumptions were based on bargaining for the benefits beginning in 2028. This has been updated to reflect that the union has stated that it plans to bargain it this year.

There is a potential that third party litigation could challenge the plan, and the State would be required to litigate.

The amended language of the bill limits the supplemental benefits to DOC employees. However, this does not significantly change the fiscal impact to the division from the prior proposal that included all agencies because LPD had assumed that the first few years of the change would result in only one or two unions wanting to bargain this in the first years rather than that unions would all want to make this available.

While the State currently has one ERISA plan for a Washington State Ferries union (MEBA), that is a very distinct situation involving a union that has existed since prior to the creation of the Public Employees Benefits Board (PEBB) retirement plan and for a specific group of employees who do not otherwise qualify for PEBB benefits. As a result of our experience with that plan, we are aware of the complexity and expense of maintaining ERISA compliance and the potential for the trust to bring litigation against the employer for a variety of claims, including the enforcement of the parties' collective bargaining agreement. This includes the potential for the employer to be required to pay the trust's legal fees for litigating against the state.

LPD total workload hours:

FY 2026: 0 hours

FY 2027: 1,800 AAG hours and 900 Paralegal 2 FTE (PL2) hours

FY 2028 through FY 2030: 2,700 AAG hours and 1,350 PL2 hours

FY 2031 and in each FY thereafter: 900 AAG hours and 900 PL2 hours

LPD total non-King County workload impact:

FY 2026: \$0

FY 2027: \$464,000 for 1.0 AAG, 0.5 PL2 and 0.5 PL1, which includes SAAG contract costs of \$100,000

FY 2028: \$696,000 for 1.5 AAG, 0.8 PL2 and 0.8 PL1, which includes SAAG contract costs of \$150,000

FY 2029: \$746,000 for 1.5 AAG, 0.8 PL2 and 0.8 PL1, which includes SAAG contract costs of \$200,000

FY 2030: \$796,000 for 1.5 AAG, 0.8 PL2 and 0.8 PL1, which includes SAAG contract costs of \$250,000

FY 2031 and in each FY thereafter: \$514,000 for 0.5 AAG, 0.5 PL2 and 0.3 PL1, which includes SAAG contract costs \$300,000

2. The AGO Social & Health Services Division (SHO) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Health Care Authority. This bill does not create legal obligations for HCA where they will need legal assistance from SHO. Although there may be some secondary fiscal and administrative issues for HCA, it does not appear to be HCA legal issues. New legal services are nominal, and costs are not included in this request.

3. The AGO Washington State University (AGO-WSU) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

4. The AGO University of Washington (UOW) has reviewed this bill, and it is limited in scope to DOC employees, and

UOW 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.

5. The AGO Education Division (EDU) has reviewed this bill and determined it will not increase or decrease the division’s workload. in representing the State Board for Community and Technical Colleges (SBCTC), Western Washington University (WWU), Central Washington University (CWU), Eastern Washington University (EWU) and The Evergreen State College (TESC) because the amended bill limits the scope of supplemental retirement bargaining authority to the DOC. Therefore, no costs are included in this request.

6. The AGO Revenue Division (REV) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Office of Financial Management (OFM) and the Department of Retirement Services (DRS). The impact on OFM is being reported by LPD. This bill impacts OFM’s role as state’s human resources, a function LPD assists OFM with. This bill will have a minor impact on DRS’ need for legal services. DRS will need REV’s advice on how to work out questions like whether any negotiated supplemental plans constitutes compensation for purposes of pension calculations, whether participation causes membership exclusions, and any possible appeals that arise from those decisions. REV anticipates that this will take around 30 hours of legal services total. New legal services are nominal, and costs are not 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
405-1	Legal Services Revolving Account	State	0	464,000	464,000	1,442,000	1,310,000
<b>Total \$</b>			0	464,000	464,000	1,442,000	1,310,000

**III. B - Expenditures by Object Or Purpose**

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years		2.4	1.2	3.7	2.6
A-Salaries and Wages		253,000	253,000	758,000	526,000
B-Employee Benefits		68,000	68,000	204,000	142,000
C-Professional Service Contracts		100,000	100,000	350,000	550,000
E-Goods and Other Services		41,000	41,000	122,000	86,000
G-Travel		2,000	2,000	8,000	6,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	0	464,000	464,000	1,442,000	1,310,000

**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
Assistant Attorney General	136,896		1.0	0.5	1.5	1.0
Management Analyst 5	98,040		0.4	0.2	0.6	0.4
Paralegal 1	73,284		0.5	0.3	0.8	0.6
Paralegal 2	80,820		0.5	0.3	0.8	0.7
<b>Total FTEs</b>			2.4	1.2	3.7	2.6

**III. D - Expenditures By Program (optional)**

<b>Program</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>2025-27</b>	<b>2027-29</b>	<b>2029-31</b>
Labor and Personnel Division (LPD)		464,000	464,000	1,442,000	1,310,000
<b>Total \$</b>		464,000	464,000	1,442,000	1,310,000

**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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 105-Office of Financial Management
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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
OFM Labor Relations Service Account-Non-Appropriated 436-6	80,000	1,771,000	1,851,000	1,928,000	1,829,000
<b>Total \$</b>	80,000	1,771,000	1,851,000	1,928,000	1,829,000

### Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	2.0	1.2	2.0	2.0
<b>Account</b>					
OFM Labor Relations Service Account-Non-Appropriated 436-6	80,000	1,771,000	1,851,000	1,928,000	1,829,000
<b>Total \$</b>	80,000	1,771,000	1,851,000	1,928,000	1,829,000

### 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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Keith Thunstedt	Phone: 360-810-1271	Date: 03/06/2026
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 03/06/2026
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 03/09/2026

## 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.*

This amended version of the bill limits the application of the bill to Department of Corrections employees. The change did not alter OFM's fiscal impact assumptions from the previous version.

This bill amends RCW 41.80.040, permitting bargaining over supplemental benefits for Department of Corrections employees. Supplemental benefits include retirement plans, retirement benefits, and medical plans.

Currently, bargaining over retirement plans, retirement benefits, and health care benefits are prohibited subjects of bargaining. This bill amends the statute by clarifying only those retirement benefits for Department of Corrections employees are excluded from bargaining.

During successor collective bargaining proceedings, OFM State Human Resource staff will potentially bargain over supplemental benefits.

### 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.*

Expenses incurred in the OFM Labor Relations Service account are funded by quarterly billings to state agencies. Any assumed increase in the account would be matched by an increase in the rate charged by OFM, up to what is allowed per RCW 41.80.140.

### 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.*

NOTE - This fiscal note supersedes OFM's FN 25-020-1 as it includes updated assumptions based on a better understanding of the possible impacts of this bill after additional analysis after the 2025 Session. This bill would give any union the right to bargain for an employer-funded union-managed health care plan. These results in Taft Hartley trusts, which will require additional resources to:

- Understand how to bargain about those trusts,
- Know the implications for tax consequences,
- Understand the impacts on our PEB healthcare system,
- Know the DRS rules and regulations

This workload is new to OFM and will be challenging for OFM negotiators and will require creating specialists within our team to work specifically on these issues.

HB 1069:

The bill's impacts are complex and will require intricate, cross-agency analyses to determine their full effects on the state, including implementation and ongoing costs. An extensive study will be needed to determine the implementation, feasibility, and ongoing impacts on the state, given current laws/rules/regulations/policies/etc. The comprehensive study should examine the legal conflicts with state and federal laws (AGO, OFM, HCA, DRS), determine impacts to HCA and DRS regulations/rules/policies as well as costs associated with making the proposed changes, determine what portions of both retirement and health care will be subject to bargaining and to what extent (OFM, AGO), fully assess impacts to agencies and IT systems (OFM, HCA, DRS, etc.), assess impacts to agencies, determine additional staff and resources

required, substantial research and analysis (eligibility criteria, dispute resolution, etc.), and other factors that cannot be identify at this time without further study. As part of the study, an extensive survey should be conducted, in collaboration with a vendor, to identify as many of the complex issues surrounding the actual implementation, administrative oversight, and state human resource costs. The survey should examine similar types of supplemental benefit plans (both medical and retirement) in other states, challenges they face with their existing state policies and laws, human resources and associated costs, impacts to IT systems (payroll, accounting, budget, etc.), and other factors that are not identified at this time without further study.

The cost for a one-time study of this magnitude is estimated at least \$500,000, but likely closer to \$1 million, given the scope and complexity.

OFM will incur additional expenses from the Attorney General's Office (AGO) regarding ERISA implications. If the State makes employer contributions to a health plan or pension plan that is sponsored by a union, there is a possibility that the plan would be subject to the federal Employee Retirement Income Security Act (ERISA) and that the State, as a contributing employer, may have ERISA obligations that it currently does not have. For example, under 29 U.S.C. § 1059, “every employer shall . . . maintain records with respect to each of his employees sufficient to determine the benefits due or which may become due to such employees.” The AGO will bill OFM and DOC for legal services based on the enactment of this bill, including for the use of Special Assistant Attorney’s General (SAAG) services for expertise related to Employee Retirement Income Security Act (ERISA) compliance and IRS issues. Based on AGO's allocation methodology, 75 percent of these legal service costs are attributable to OFM, and 25 percent are attributable to DOC. The amounts below represent OFM's 75% share of AGO legal service costs.

FY2027: \$348,000  
FY2028: \$522,000  
FY2029: \$560,000  
FY2030: \$597,000  
FY2031: \$386,000

There will be a need for additional bargaining, more proposals, more days of interest arbitration, or mediation for non-interest arbitration tables. OFM predicts that the unions will make these proposals, but cannot define how many unions will want these provisions in the contracts. Additional costs and resources can be anticipated for bargaining, costing, interest arbitration hearing days (more days will be needed), potential survey costs, and changes to the contract that require training in areas of bargaining that require a level of expertise not needed in the past. Impacts include:

- Negotiators bargaining over supplemental benefits, potentially expanding on the number of bargaining proposals and requiring bargaining to impasse on a mandatory subject of bargaining, which would require the decision to be presented to an arbitrator for interest arbitration tables and to a mediator for non-interest
- Compensation policy analysts providing fiscal modeling on bargaining proposals related to supplemental benefits that could include interest arbitration.
- Salary surveys will have to take into consideration retirement and medical plans available in addition to those otherwise provided by state law. This work is also completed by Compensation policy analysts.
- Labor relations assistants providing support required due to additional bargaining proposals and modifications to existing collective bargaining agreements, as well as assistance with interest arbitration.
- Additional days of hearing for interest arbitrations to present proposals on supplemental retirement and medical plan benefits.

To complete this work, additional staff would be required:

1 FTE – Labor Negotiator (ongoing, beginning 5/1/2026) - A negotiator with expertise on supplemental retirement and health care plans will be needed to assist with negotiations and hearings related to this new mandatory subject of bargaining. OFM does not currently have a negotiator with retirement expertise because it is not a mandatory subject of

bargaining. This bill requires additional bargaining workload, including interest arbitration hearings and/or mediation proceedings.

1 FTE – Compensation Policy Analyst (ongoing, beginning 5/1/2026) - New survey information will be needed for bargaining related to supplemental retirement and health care plans, and to cost proposals on this new mandatory subject of bargaining. OFM does not currently have a Compensation Policy Analyst with experience in costing retirement plans because it is not a mandatory subject of bargaining.

Cost assumptions per FTE:

- o Goods and services: supplies, communications services, lease space, training, software licensing at \$5,000 per FTE annually.
- o Travel: travel associated with the positions at \$3,000 per FTE annually.
- o Capital Outlays: a workstation, furniture, and a computer at \$5,000 per FTE (one-time).
- o Shared Service Costs: administrative support, IT support, budget and accounting services, facilities support, and human resource assistance at \$30,000 per FTE annually.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
436-6	OFM Labor Relations Service Account	Non-Appropriated	80,000	1,771,000	1,851,000	1,928,000	1,829,000
<b>Total \$</b>			80,000	1,771,000	1,851,000	1,928,000	1,829,000

**III. B - Expenditures by Object Or Purpose**

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	2.0	1.2	2.0	2.0
A-Salaries and Wages	45,000	275,000	320,000	550,000	550,000
B-Employee Benefits	12,000	72,000	84,000	144,000	144,000
C-Professional Service Contracts		1,000,000	1,000,000		
E-Goods and Other Services	2,000	358,000	360,000	1,102,000	1,003,000
G-Travel	1,000	6,000	7,000	12,000	12,000
J-Capital Outlays	10,000		10,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	10,000	60,000	70,000	120,000	120,000
9-					
<b>Total \$</b>	80,000	1,771,000	1,851,000	1,928,000	1,829,000

**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
Compensation Policy Analyst	134,000	0.2	1.0	0.6	1.0	1.0
Labor Negotiator	135,000	0.2	1.0	0.6	1.0	1.0
<b>Total FTEs</b>		0.3	2.0	1.2	2.0	2.0

**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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 107-Washington State Health Care Authority
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

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

**Estimated Operating Expenditures from:**

**Non-zero but indeterminate cost 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:

- 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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Sara Whitley	Phone: 360-725-0944	Date: 02/27/2026
Agency Approval: Tanya Deuel	Phone: 360-725-0908	Date: 02/27/2026
OFM Review: Scott Hancock	Phone: (360) 890-2518	Date: 02/27/2026

## 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.*

See attached narrative.

### 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 narrative.

### 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 narrative.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

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

### III. B - Expenditures by Object Or Purpose

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

**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

See attached narrative.

## **Part V: New Rule Making Required**

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

## HCA Fiscal Note

Bill Number: **1069 AMS LC S5523.1**

HCA Request #: 26-118

Title: **Supplemental retirement bargaining**

### Part I: Estimates

No Fiscal Impact

#### Estimated Cash Receipts:

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

#### Estimated Operating Expenditures:

**Non-zero but indeterminate cost 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:

- 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.

# HCA Fiscal Note

Bill Number: **1069 AMS LC S5523.1** HCA Request #: 26-118 Title: **Supplemental retirement bargaining**

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

This version of the bill strikes everything after the enacting clause of the previous version, and inserts the following impacts:

**Section 1** amends RCW 41.80.020 (State Collective Bargaining, Scope of Bargaining) to explicitly exclude supplemental retirement benefits, as detailed in section 2, from the list of items an employer is not required to bargain over.

**Section 2** amends RCW 41.80.040 (State Collective Bargaining, Management rights – Not subject to bargaining) to allow for collective bargaining over contributions for supplemental retirement benefits for department of corrections (DOC) employees; to include contributions for supplemental retirement benefits, medical plans, administered by or on behalf of an employee organization, and makes contributions for those supplemental plans a mandatory subject of bargaining.

### II. B - Cash Receipts Impact

Non-zero but indeterminate; see narrative below.

### II. C – Expenditures

**Public Employee Benefits Board (PEBB) and School Employee Benefits Board (SEBB) Program Impacts**  
Indeterminate fiscal impact.

While this bill places no direct requirements on Health Care Authority (HCA) statutes, the following considerations could result in a fiscal impact based on HCA's interpretation of the legislation as written:

1. HCA is the single state agent for purchasing health care benefits and risk pool stability
  - Under RCW 41.05.022 (State agent for purchasing health services – Single community-rated risk pool), since 1993 HCA has been designated as the single state agent for purchasing health care services offered to state employees and retirees. This bill provides authority for department of corrections (DOC) employees to bargain supplemental medical plans and/or health benefits not administered by the HCA, which appears to be in direct conflict with HCA's authority as established under RCW 41.05.022. The creation of additional health care benefits outside of the scope of PEBB purchasing could result in risk pool instability for the state programs. As members move out of PEBB benefits and into other non-purchased state health plans, variations in the underlying populations, and a lack of predictable population dynamics, could result in variable cost impacts for employees and the state.
2. PEBB program eligibility considerations (WAC 182-12-205)
  - Under PEBB program rules, an employee is eligible to defer enrollment in PEBB medical coverage if they continuously enrolled in certain qualifying types of medical coverage while in "deferral status". HCA assumes, under current rule, any supplemental medical plans to be bargained by employee organizations would not qualify under HCA's current rules as qualifying medical coverage for deferral status. That is, should a DOC employee separate from state service and choose to enroll in a

# HCA Fiscal Note

Bill Number: **1069 AMS LC S5523.1**

HCA Request #: 26-118

Title: **Supplemental retirement bargaining**

supplemental retirement health plan bargained by a DOC employee organization, they would not be eligible to return to PEBB coverage at any point, including when they reach Medicare eligibility. This includes forever forgoing access to any Medicare explicit subsidy offered by the state when they reach Medicare eligibility

- The eligibility for surviving spouses/dependents is directly related to the former employee's/retiree's eligibility. Thus, if the former employee/retiree loses their ability to return to PEBB coverage then their survivors would lose their ability for future PEBB coverage (and any Medicare explicit subsidy offered by the state), too.
- This could also impact the stability of the PEBB Medicare risk pool if individuals leave PEBB benefits for ancillary bargained supplemental retirement plans and are unable to later re-enter the PEBB risk pool. Most notably, the PEBB UMP Classic Medicare plan offering is a self-insured plan and is rated based on the costs of the enrolled retirees. As the overall covered population decreases retiree premiums could be impacted leading to the potential for premium volatility for those retirees who remain enrolled in PEBB benefits.

### 3. HCA staff support of Collective Bargaining

- Section 2 of this legislation expands the scope of bargaining to allow employee organizations to bargain supplemental retirement benefits, including medical plans, administered by or on behalf of employee organizations that represent DOC employees. As defined under RCW 41.80.005 (Collective bargaining – definitions) "Employee organization" means any organization, union, or association in which employees participate and exists for the purpose, in whole or in part, of collective bargaining with employers. HCA currently provides significant support at the singular health care bargaining table to the Office of Financial Management (OFM) during each state employee collective bargaining cycle. Any additional support provided by HCA within the scope of this legislation is assumed to be provided within existing resources.

### 4. Employee Retirement Income Security Act (ERISA) and Internal Revenue Service (IRS) considerations

- ERISA and IRS Federal rules apply to specific types of employers and health plans offered to employees. Under this bill's authority, should additional supplemental health benefits be bargained by employee organizations, HCA assumes an employee organization that represents DOC employees will be required to ensure compliance under ERISA to avoid federal fines. Furthermore, if employer contributions are made to health plans sponsored by a union, it is unknown whether those would be considered pre- or post-tax contributions; currently, HCA ensures compliance with both ERISA and IRS Federal regulations. Internal subject matter experts ensure compliance for the singular purchased and centralized employee benefits administered by the PEBB and SEBB programs. HCA would not be able to provide compliance assistance to DOC or OFM for ancillary bargained supplemental benefits should support be required.

### **Apple Health impacts**

No impacts to Medicaid lines of business.

## **Part III: Expenditure Detail**

### **III. A - Operating Budget Expenditure**

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

## HCA Fiscal Note

Bill Number: **1069 AMS LC S5523.1** HCA Request #: 26-118 Title: **Supplemental retirement bargaining**

### III. B - Expenditures by Object Or Purpose

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

### III. C - Operating FTE Detail:

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:

NONE

### IV. D - Capital FTE Detail:

NONE

## Part V: New Rule Making Required

NONE

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 124-Department of Retirement Systems
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Mike Ricchio	Phone: 360-664-7227	Date: 02/26/2026
Agency Approval: Marcus Ehrlander	Phone: 360-664-7303	Date: 02/26/2026
OFM Review: Scott Hancock	Phone: (360) 890-2518	Date: 02/26/2026

## 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.*

#### SUMMARY OF CHANGES IN AMENDED BILL 1069 HB AMS LC S5523.1

The amended bill limits the application of the bill to Department of Correction employees. Additionally, within that limited scope it makes contributions for supplemental benefits administered by, or on behalf of, an employee organization a mandatory subject of bargaining.

Language in the original house bill that expressly excludes benefits DRS administers is removed from the amended version. However, because the bill addresses only benefits administered by, or on behalf of, an employee organization, any bargaining under the bill would not be in relation to benefits administered by DRS. Accordingly, the amended bill does not create an administrative impact for DRS.

#### SUMMARY OF ORIGINAL HOUSE BILL

- Sec. 1(1)(e) clarifies that public employers shall not bargain over retirement plans and retirement benefits administered by the Department of Retirement Systems (DRS).
- Sec. 1(2) provides public employers with the ability to bargain over contributions for supplemental retirement benefits administered by, or on behalf of, an employee organization, including medical plans.

The language added by Sec. 1(2) will not have a fiscal impact on DRS because the language in Sec. 1(1)(e) excludes the benefits DRS administers.

### 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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 275-Public Employment Relations Commission
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Dario de la Rosa	Phone: 360-570-7328	Date: 02/25/2026
Agency Approval: Dario de la Rosa	Phone: 360-570-7328	Date: 02/25/2026
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/26/2026

## 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.*

Civil Service employees working for state agencies and institutions of higher education enjoy collective bargaining rights under chapter 41.80 RCW. If the civil service employees at an agency or higher education institution form a union for purposes of collective bargaining, the employer is obligated to meet at reasonable times with the employees' exclusive bargaining representative and bargain in good faith to reach agreement with respect to the matters deemed mandatory subjects of bargaining, such as wages, hours, and terms and conditions of employment. The Public Employment Relations Commission (PERC) assists the parties in resolving disputes concerning mandatory subjects of bargaining through mediation or adjudication.

Under a traditionally labor law analysis, retirement benefits are considered wages and are therefore mandatory subject of bargaining. For example, employees working for cities, counties, and other municipal corporations in Washington State are not prohibited from bargaining over retirement plans and benefits. When the legislature passed chapter 41.80 RCW in 2002, "retirement plans and retirement benefits" were specifically listed as management rights and the state of Washington was under no obligation to bargain either retirement plans or retirement benefits with their civil service employees.

House Bill 1069 amends chapter 41.80 RCW to allow employees working for the Department of Corrections the opportunity to engage in bargaining over contributions for supplemental retirement benefits administered by, or on behalf of, an employee organization, including medical plans. PERC does not anticipate a significant increase in caseload because of HB 1069 and the provisions of HB 1069 can be implemented without additional funding.

### 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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 310-Department of Corrections
---	---	---

## 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
<b>Account</b>					
General Fund-State      001-1	0	116,000	116,000	361,000	328,000
<b>Total \$</b>	0	116,000	116,000	361,000	328,000

**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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Jarrod Potter	Phone: 360-791-0201	Date: 03/04/2026
Agency Approval: Greg Scott-Braaten	Phone: 360-789-0278	Date: 03/04/2026
OFM Review: Kate LaBelle	Phone: (360) 480-0270	Date: 03/06/2026

## 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.*

An act relating to allowing collective bargaining over contributions for certain supplemental retirement benefits; and amending RCW 41.80.040.

Section 1 amends RCW 41.80.020 relating to collective bargaining subjects for state employees.

Section 2 amends RCW 41.80.040 to provide that, for Department of Corrections (DOC) employees, contributions for supplemental retirement benefits administered by, or on behalf of, an employee organization are a mandatory subject of collective bargaining.

The effective date is assumed to be 90 days after adjournment of the session in which this bill is passed.

### 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.*

DOC assumes this bill will have a fiscal impact greater than \$50,000 per Fiscal Year (FY).

Pursuant to Section 2, DOC Human Resources (HR) and Labor Relations staff will engage in collective bargaining activities related to supplemental retirement benefit contributions. Activities may include bargaining preparation, fiscal modeling, negotiations, coordination with the Office of Financial Management (OFM), development of agreement language, and implementation of any negotiated agreement. DOC assumes this workload can be absorbed within existing resources.

The Office of the Attorney General (AGO) has identified legal service costs associated with implementation of this legislation. AGO will provide legal advice and representation during collective bargaining and related implementation activities and will bill impacted agencies for services rendered.

Based on AGO's allocation methodology, 75 percent of legal service costs are attributable to OFM, and 25 percent are attributable to DOC. The amounts below represent DOC's 25 percent share of AGO legal service costs:

FY 2027: \$116,000  
FY 2028: \$174,000  
FY 2029: \$187,000  
FY 2030: \$199,000  
FY 2031: \$129,000

## 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	116,000	116,000	361,000	328,000
<b>Total \$</b>			0	116,000	116,000	361,000	328,000

### III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
N-Grants, Benefits & Client Services					
S-Interagency Reimbursements		116,000	116,000	361,000	328,000
T-Intra-Agency Reimbursements					
<b>Total \$</b>	0	116,000	116,000	361,000	328,000

**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)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Administration & Support Svcs (100)					
Correctional Operations (200)					
Community Supervision (300)					
Correctional Industries (400)					
Healthcare Services (500)					
Interagency Payments (600)		116,000	116,000	361,000	328,000
Offender Change (700)					
<b>Total \$</b>		116,000	116,000	361,000	328,000

## 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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Lauren Hatchett	Phone: 2066167203	Date: 03/02/2026
Agency Approval: Christine Leibbrand	Phone: 4256475101	Date: 03/02/2026
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/03/2026

## 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.*

The proposed striking amendment limits the application of the bill to Department of Corrections employees. Therefore, there is no longer a fiscal impact on the University of Washington.

### 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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 365-Washington State University
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Emily Green	Phone: 5093359681	Date: 03/02/2026
Agency Approval: Carrie Johnson	Phone: (206) 555-1212	Date: 03/02/2026
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/03/2026

## 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.*

House Bill 1069 amends RCW 41.80.040, permitting bargaining over supplemental benefits administered by, or on behalf of, an employee organization. Supplemental benefits include retirement plans, retirement benefits, and medical plans. The proposed amendment to this bill limits the scope of this bill to Department of Corrections employees only.

This bill would have no impact Washington State University, as it is not applicable to the institution.

### 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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 370-Eastern Washington University
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Tammy Felicijan	Phone: (509) 359-7364	Date: 02/26/2026
Agency Approval: Tammy Felicijan	Phone: (509) 359-7364	Date: 02/26/2026
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/03/2026

## 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.*

AMS LC HB 1069 relates to allowing collective bargaining contributions for certain supplemental retirement benefits.

Section 2 amends RCW 41.80.040 to make contributions for supplemental benefits administered by, or on behalf of, an employee organization a mandatory subject of bargaining but limits the application of the bill to Department of Corrections employees.

Limiting the application of the bill to the Department of Corrections removes any fiscal impact to EWU. As such, we are submitting 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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 375-Central Washington University
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Alexa Orcutt	Phone: 5099632955	Date: 02/26/2026
Agency Approval: Lisa Plesha	Phone: (509) 963-1233	Date: 02/26/2026
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/03/2026

## 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.*

1069 HB AMS adjusts wording to pertain to the department of corrections and inserts RCW 41.80.040(2).

CWU does not estimate any fiscal impact based on the language of this bill.

Original summary of 1069 HB:

Section 1 (Amends RCW 41.80.040 and 2020 c 357 s 913): Subsections (1-5) are re-organized to be under subsection (1). Subsection (1)(e) inserts language regarding the department of retirement systems. Adds subsection (2), stating that subsection (1)(e) of this section doesn't prevent the employer from bargaining over contributions for supplemental retirement benefits managed by (or on behalf of) an employee organization which includes medical plans.

### 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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 376-The Evergreen State College
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Daniel Ralph	Phone: 360-867-6500	Date: 02/26/2026
Agency Approval: Lisa Dawn-Fisher	Phone: 564-233-1577	Date: 02/26/2026
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/03/2026

## 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.*

HB 1069 relates to allowing bargaining over supplemental retirement benefits.

Section 2 is revised so that the bill only affects collective bargaining at the Department of Corrections.

Since the bill does not affect Evergreen, there is no fiscal impact.

\*\*\*\*\*

HB 1069 relates to allowing bargaining over supplemental retirement benefits.

Section 1.1(e) clarifies that employers are not to participate in bargaining over retirement plans that are administered by the Department of Retirement Services.

Section 2 states that employers may participate in bargaining in the case of contributions for supplemental retirement benefits administered by, or on behalf of, an employee organization, including medical plans.

### 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

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 380-Western Washington University
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Gena Mikkelsen	Phone: 3606507412	Date: 02/26/2026
Agency Approval: Anna Hurst	Phone: 360-650-3569	Date: 02/26/2026
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/03/2026

## 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.*

Sections 1–2 of the bill amend RCW 41.80.020 and RCW 41.80.040 related to collective bargaining authority. The legislation establishes that contributions for supplemental retirement benefits administered by or on behalf of an employee organization are a mandatory subject of bargaining for employees of the Washington State Department of Corrections. The exception to management rights related to retirement benefits applies only to Department of Corrections employees. The bill does not apply to institutions of higher education or university employees. The legislation does not expand collective bargaining authority, require new benefit programs, or create additional administrative or implementation requirements for Western Washington University. Western Washington University anticipates 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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 699-Community and Technical College System
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Stephanie Winner	Phone: 360-704-1023	Date: 03/02/2026
Agency Approval: Stephanie Winner	Phone: 360-704-1023	Date: 03/02/2026
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 03/03/2026

## 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.*

The amended version of the bill makes contributions for supplemental benefits administered by, or on behalf of, an employee organization a mandatory subject of bargaining. Limits the application of the bill to Department of Corrections employees.

No fiscal impact.

---

HB 1069 (2025) amends RCW 41.80.040 to allow state agencies and their employees to bargain over employer contributions to supplemental retirement benefits administered by, or on behalf of, employee organizations, including medical plans.

Indeterminate 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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB AMS LC S5523.1	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> AFN-Actuarial Fiscal Note - State Actuary
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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: Jarrett Sacks	Phone: 360-786-7448	Date: 02/25/2026
Agency Preparation: Aaron Gutierrez	Phone: 360-786-6152	Date: 02/25/2026
Agency Approval: Michael Harbour	Phone: 360-786-6151	Date: 02/25/2026
OFM Review: Scott Hancock	Phone: (360) 890-2518	Date: 02/26/2026

## 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.*

As amended, this bill requires collective bargaining for certain supplemental retirement benefits for Dept. of Corrections employees, but otherwise excludes retirement, including plans administered by the Department of Retirement Systems. As a result, this bill has no impact to state pensions.

If for eligible employees future collective bargaining changes the Public Employees Benefits Board (PEBB) retiree medical benefits or subsidies, this could impact the Other Postemployment Benefits (OPEB) obligations accounted for by the state. To the extent that this occurs, the Office of the State Actuary (OSA) will update future OPEB actuarial valuations to reflect the impact of these changes on the Total OPEB Liability.

For additional context on these benefits under current law, please see OSA's website for the most recent PEBB OPEB report: <https://leg.wa.gov/studies-audits-and-reports/actuarial-reporting/other-postemployment-benefits-opeb/>

### 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.*