Multiple Agency Fiscal Note Summary

Bill Number: 2365 HB	**Title:** User data transmit notices.

Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Consolidated Technology Services	0	42,000	0	0	0	0
Total $	**0**	**42,000**	**0**	**0**	**0**	**0**

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Consolidated Technology Services	.0	0	42,000	.0	0	0	.0	0	0
Total $	**0.0**	**0**	**42,000**	**0.0**	**0**	**0**	**0.0**	**0**	**0**

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Consolidated Technology Services	.0	0	0	.0	0	0	.0	0	0
Total $	**0.0**	**0**	**0**	**0.0**	**0**	**0**	**0.0**	**0**	**0**

Estimated Capital Budget Breakout

NONE

Prepared by: Bryan Way, OFM	**Phone:** (360) 902-0650	**Date Published:** Final 1/20/2020

FNPID: 58475

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 2365 HB	Title: User data transmit notices.	Agency: 100-Office of Attorney General

Part I: Estimates

[X] **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:	Kyle Raymond	Phone: 360-786-7190	Date: 01/13/2020
Agency Preparation:	Amy Flanigan	Phone: 509-456-3123	Date: 01/16/2020
Agency Approval:	Dianna Wilks	Phone: 360-709-6463	Date: 01/16/2020
OFM Review:	Gwen Stamey	Phone: (360) 902-9810	Date: 01/19/2020

Part II: Narrative Explanation

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

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

No fiscal impact. This legislation is not expected to generate any costs or savings for the Attorney General's Office (AGO). The AGO completed an analysis for legal services and fiscal impact from the most likely state agencies.

The AGO Transportation & Public Construction (TPC) division has reviewed this bill and determined it will not significantly increase the division's workload in representing Washington Technology (WaTech). Section 2 requires the Office of Privacy and Data Protection (WaTech) to develop a "user data transmission sticker for the purpose of notifying Washington consumers that a connected device has the capability to transmit user data to the device manufacturer or any separate business entity." After consultation with WaTech and the AGO Consumer Protection Division, TPC estimates nominal AAG time, primarily in FY 2021, to assist WaTech. Costs are not included in this request.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

None.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to 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

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 2365 HB	Title: User data transmit notices.	Agency: 163-Consolidated Technology Services

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

ACCOUNT	FY 2020	FY 2021	2019-21	2021-23	2023-25
Consolidated Technology Services Revolving Account-State 458-1		42,000	42,000		
Total $		42,000	42,000		

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
Account					
Consolidated Technology Services Revolving Account-State 458-1	0	42,000	42,000	0	0
Total $	0	42,000	42,000	0	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:	Kyle Raymond	Phone: 360-786-7190	Date: 01/13/2020
Agency Preparation:	Wendy Armstrong	Phone: 360-407-8977	Date: 01/17/2020
Agency Approval:	Tim Gallivan	Phone: (360) 407-8215	Date: 01/17/2020
OFM Review:	Bryan Way	Phone: (360) 902-0650	Date: 01/20/2020

Part II: Narrative Explanation

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

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 2 of this bill requires the Office of Privacy and Data Protection (OPDP), a division of Office of the Chief Information Officer, Consolidated Technology Services (WaTech) to develop a sticker to put on consumer devices that transmit user data to the manufacturer or other business by January 1, 2022.

Section 2(2) requires that OPDP facilitate focus groups with children and adults to solicit feedback on the design of the sticker.

Section 3 requires the OPDP to make the sticker digitally available to manufacturers without cost. The digital file must be available on the OPDP web site.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

The chief privacy officer is a part of the Office of the Chief Information Officer (OCIO) and funded by an appropriation from the Consolidated Technology Services Revolving Account (458-1). Revenues for the OCIO are collected from state agencies who receive allocations through the Office of Financial Management (OFM) central services model. It is assumed that the allocations in the central services model will be adjusted by the Legislature to ensure WaTech revenues are sufficient to support the required expenditures.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

In order to comply with Section 2 of this bill, it is assumed the OPDP will hire a subject matter expert (consultant) to:

- •research existing labels that appeal to both children and adults,
- •research labels to meet regulatory standards, ADA requirements or prevent trademark infringement,
- •provide focus group meeting facilitation (the format and number to be determined by the consultant),
- •graphic design, and
- •provide digital sticker templates for manufacturer use.

It is estimated the focus group costs may be higher than usual in order to meet the requirements of this bill. The actual contracted cost will not be known until the scope of work is defined.

Total costs are estimated to be $42,000:

$16,000 Graphic Designer $200 per hour X 80 hours, includes research of existing labels and regulatory compliance, template design and final product, and

$ 26,000 Focus group moderator, focus group analysis and meeting room costs.

It is assumed all focus group attendees will serve without compensation.

It is further assumed, OPDP staff can absorb the costs for this proposed bill in its base budget if the workload of

other enacted legislation does not exceed current staffing levels.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
458-1	Consolidated Technology Services Revolving Account	State	0	42,000	42,000	0	0
		Total $	0	42,000	42,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts		42,000	42,000		
E-Goods and Other Services					
G-Travel					
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	42,000	42,000	0	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*

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

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required