Multiple Agency Fiscal Note Summary

Bill Number: 6281 2S SB	**Title:** Personal data

Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Consolidated Technology Services	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Total $	0	0	0	0	0	0

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	No fiscal impact					
Loc School dist-SPI						
Local Gov. Other						
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	3.6	1,108,000	1,108,000	3.6	1,108,000	1,108,000
Consolidated Technology Services	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	3.0	902,970	902,970
Washington State University	.0	0	0	.0	0	0	1.5	580,000	580,000
Washington State University	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Eastern Washington University	.0	0	0	.0	0	0	2.3	580,177	580,177
Eastern Washington University	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Central Washington University	.0	0	0	.0	0	0	4.0	726,430	726,430
The Evergreen State College	Fiscal note not available								
Western Washington University	.0	0	0	.0	0	0	1.8	633,558	633,558
Western Washington University	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Community and Technical College System	.0	0	0	.0	0	0	.0	16,160,000	16,160,000
Total $	**0.0**	**0**	**0**	**3.6**	**1,108,000**	**1,108,000**	**16.2**	**20,691,135**	**20,691,135**

FNPID: 60451

FNS029 Multi Agency rollup

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
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
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	Fiscal note not available								
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
Total $	**0.0**	**0**	**0**	**0.0**	**0**	**0**	**0.0**	**0**	**0**

Estimated Capital Budget Breakout

Prepared by: Bryan Way, OFM	**Phone:** (360) 902-0650	**Date Published:** Preliminary 2/21/2020

FNPID: 60451

FNS029 Multi Agency rollup

Judicial Impact Fiscal Note

Bill Number: 6281 2S SB	Title: Personal data	Agency: 055-Administrative Office of the Courts

Part I: Estimates

[X] **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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.

Legislative Contact	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Pam Kelly	Phone: 360-705-5318	Date: 02/14/2020
Agency Approval:	Ramsey Radwan	Phone: 360-357-2406	Date: 02/14/2020
OFM Review:	Gaius Horton	Phone: (360) 902-0608	Date: 02/17/2020

158,883.00

Request # 6281 2SSB-1

Part II: Narrative Explanation

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

Please see attached Judicial Impact Note (JIN).

II. B - Cash Receipts Impact

II. C - Expenditures

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

Part II: Narrative Explanation

This bill would establish consumer personal data rights and identifies responsibilities of controllers and processors of personal data, including requirements related to commercial use of facial recognition services.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

Section 4(2) – Would exempt State and local governments from the jurisdictional scope that is defined in subsection (1)(a) and (b) of this section.

Section 11 – Would make any violation of this chapter not to serve as the basis for, or be subject to, a private right of action under this chapter or under any other law.

II.B - Cash Receipt Impact

None

II.C – Expenditures

None, there would be no new private rights of action created as a result of this bill and this bill would exempt government agencies from this act so there would be no impacts on public records requests or other publicly available records.

Individual State Agency Fiscal Note

Bill Number: 6281 2S SB	Title: Personal data	Agency: 090-Office of State Treasurer

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:
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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Dan Mason	Phone: (360) 902-8990	Date: 02/07/2020
Agency Approval:	Dan Mason	Phone: (360) 902-8990	Date: 02/07/2020
OFM Review:	Ramona Nabors	Phone: (360) 902-0547	Date: 02/12/2020

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.

2SSB 6281 creates the consumer privacy account, coupled with the general fund as the recipient of the earnings from investments under RCW 43.84.092(4).

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.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable.

There may be an impact on the debt service limitation calculation. Any change to the earnings credited to the general fund will change, by an equal amount, general state revenues.

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.

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: 6281 2S SB	Title: Personal data	Agency: 100-Office of Attorney General

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.0	0.0	3.6	3.6
Account					
General Fund-State 001-1	0	0	0	1,108,000	1,108,000
Total $	0	0	0	1,108,000	1,108,000

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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Stacia Hollar	Phone: (360) 664-0865	Date: 02/12/2020
Agency Approval:	Edd Giger	Phone: 360-586-2104	Date: 02/12/2020
OFM Review:	Gwen Stamey	Phone: (360) 902-9810	Date: 02/14/2020

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 1 provides that short title of this act is the Washington Privacy Act of 2019.

Section 2 sets forth the legislative intent.

Section 3 provides definitions.

Section 4 specifies the businesses covered by the act and excludes state and local governments and higher education. It also addresses specified data, including health care and health care quality improvement information, as excluded from the provisions of the act.

Section 5 sets forth the responsibility of certain positions within the businesses.

Section 6 establishes consumer rights under the act regarding the rights to access, correct, delete, transmit, and opt out of the distribution of personal data. The bill details the process for controllers to respond to consumer complaints including an appeal process and provides for the submission of information regarding a specific appeal to the Attorney General with the consumer's consent.

Section 7 addresses the processing of de-identified data or pseudonymous data.

Section 8 addresses the responsibilities of controllers relating to transparency, purpose specification, data minimization, avoiding secondary use, security, nondiscrimination, sensitive data, and non-waiver of consumer rights.

Section 9 requires the businesses to conduct and document risk assessments covering the processing of personal data. The Attorney General may request disclosure of, and evaluate, such assessments if relevant to an investigation.

Section 10 addresses the limitations and applicability of the act to other controller and processor actions.

Section 11 addresses business liability.

Section 12 grants the Attorney General the exclusive authority to enforce and provides injunctive relief and a civil penalty of not more than $7,500 per violation.

Section 13 creates an appropriated Consumer Privacy Account for deposit of all civil penalties except for recovery of Attorney General's costs and fees.

Section 14 provides this chapter supersedes and preempts laws adopted by local entities regarding this subject.

Section 15 requires that by July 1, 2022, the Attorney General shall compile and submit to the Governor and Legislature a report evaluating the liability and enforcement provisions of the act and any recommended changes.

Section 16 authorizes the Governor to enter into agreements with the governments of British Columbia, Oregon

and California for joint data-driven research initiatives.

Section 17 addresses use of facial recognition technology by businesses. Voluntary facial recognition services for aviation passengers are exempt from this section. Images captured by airlines may not be retained for more than 24 hours. Upon request of the Attorney General, the airlines must certify that they are complying with this retention requirement.

Section 18 provides that the chapter does not apply to higher education or non-profits until July 31, 2024.

Section 19 provides that certain sections constitute a new chapter in Title 19 RCW.

Section 20 provides an effective date of July 31, 2021.

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.

Attorney General's Office Consumer Protection division activities are funded with General Fund-State dollars. No cash receipt impact. There is no client agency to bill for legal services.

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.

Attorney General's Office (AGO) Agency Assumptions:

1. Legal services associated with the enactment of this bill will begin on July 31, 2021.

2. The AGO Transportation & Public Construction division (TPC) has reviewed this bill and determined it will not increase or decrease the division's workload in representing Washington Technology Services (WaTech). After discussions with the State Privacy Officer at WaTech, it has been determined that the proposed bill's requirement for WaTech to conduct a study and other miscellaneous tasks will not significantly increase the division's workload in representing WaTech. The amount of legal services, if any, will be nominal and can be provided with existing resources.

Assumptions for the AGO Consumer Protection division (CPR) Legal Services:

1. AGO CPR activities are funded with General Fund-State dollars. CPR enforces the Consumer Protection Act with respect to conduct that is made unlawful under RCW 19.86.020, which broadly prohibits unfair or deceptive acts or practices in trade or commerce. CPR focus is on representations and failures to disclose terms and conditions.

2. CPR assumes there will be no legal challenges to the statute.

3. CPR anticipates three full investigations per year. If investigations lead to unexpected litigation, it will result in slight increased costs.

4. Increased volume of consumer complaints will be handled within existing resources.

5. No private right of action will result in higher expectations and demands for CPR or higher costs.

6. Companies will be very resistant to investigations and investigations will be time-consuming.

7. Frequent (at least 36 per year) communications with companies to inquire of practices without investigations.

8. The AGO assumed $65,000 per fiscal year (FY) in investigation costs to include, but are not limited to:

A. $15,000 per FY for investigation deposition costs and state-wide travel.

B. $50,000 per FY for investigation document management costs (e-discovery).

9. Total workload impact in FY 2022 and in each FY thereafter: 1.17 Assistant Attorney General (AAG), 0.59 Legal Assistant (LA), 0.33 Investigator (INV), and 1.17 Paralegal (PL) at a cost of $554,000 per FY (this includes investigation costs of $65,000 per FY).

Note: Agency administration support FTEs are included in the tables below, using a Management Analyst 5 as a representative classification.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	0	0	1,108,000	1,108,000
		Total $	0	0	0	1,108,000	1,108,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years				3.6	3.6
A-Salaries and Wages				626,000	626,000
B-Employee Benefits				216,000	216,000
C-Professional Service Contracts					
E-Goods and Other Services				220,000	220,000
G-Travel				38,000	38,000
J-Capital Outlays				8,000	8,000
Total $	0	0	0	1,108,000	1,108,000

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 2020	FY 2021	2019-21	2021-23	2023-25
Assistant Attorney General-Seattle	110,256				1.2	1.2
Legal Assistant 3-Seattle	64,944				0.6	0.6
Management Analyst 5	88,644				0.3	0.3
Paralegal 2-Seattle	70,608				1.2	1.2
Senior Investigator-Seattle	92,652				0.3	0.3
Total FTEs					3.6	3.6

III. D - Expenditures By Program (optional)

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Consumer Protection Division (CPR)				1,108,000	1,108,000
Total $				1,108,000	1,108,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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: 6281 2S SB	Title: Personal data	Agency: 163-Consolidated Technology Services

Part I: Estimates

[X] **No Fiscal Impact**

Estimated Cash Receipts to:

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

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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Wendy Armstrong	Phone: 360-407-8977	Date: 02/11/2020
Agency Approval:	Tim Gallivan	Phone: (360) 407-8215	Date: 02/11/2020
OFM Review:	Bryan Way	Phone: (360) 902-0650	Date: 02/12/2020

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.

2SSB 6281 creates the Washington Privacy Act. This is a private industry/consumer directed bill that creates consumer rights regarding data handling practices of private businesses. The Act does not apply to local and state governments, personal data sets regulated by certain federal laws, or employment records. The Act does apply to legal entities that control or process data of more than 100,000 consumers and/or derive 50 percent of gross revenue from the sale of personal information. Consumer rights created by the bill include the right of data: access, correction, deletion, portability, and opt out provisions. The law will be enforced by the Attorney General's Office (AGO) consumer protection division. The bill also includes facial recognition provisions and regulates facial recognition technology use by private businesses.

Section 2(6) encourages OPDP to monitor the development of universal privacy controls that communicate a consumer's affirmative choice to opt out of processing personal data concerning the consumer for purposes of targeted advertising, sale of personal data or similar profiling of the consumer. This section will increase the workload for the OPDP. It is assumed that OPDP can absorb and reprioritize the workload within its base budget.

Changes to 2SSB 6281 (from SSB 6281) include:
•Section 2(7): New subsection allows institutions of higher education and nonprofit corporations to delay compliance with this Act for three years. Consolidated Technology Services (WaTech) does not anticipate this change will have an impact.
•Section 18: New subsection exempts institutions of higher education or nonprofit corporations from this Act until July 31, 2024.

Changes to SSB 6281 (from SB 6281) included:
•Section 2(6): New subsection encouraging OPDP to monitor the development of universal privacy controls that communicate a consumer's affirmative choice to opt out of processing personal data concerning the consumer for purposes of targeted advertising, sale of personal data or similar profiling of the consumer. WaTech does not anticipate this change will have an impact.
•Section 15: Removes requirement to conduct a study on the development of technology, such as a browser setting, browser extension, or global device setting, indicating a consumer's affirmative, freely given, and unambiguous choice to opt out of the processing of personal data for the purposes of targeted advertising, the sale of personal data, or profiling in furtherance of decisions that produce legal effects concerning consumers or similarly significant effects concerning consumers. The requirement to submit a report of its findings and recommendations to the Governor and appropriate committees by October 31, 2021 has also been removed. This change removes the impacts WaTech reported on SB 6281.

*OPDP is a division of the Office of the Chief Information Officer (OCIO) in Consolidated Technology Services (WaTech).

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.

Indeterminate.

Section 13 establishes the Consumer Privacy Account and authorizes the Attorney General's Office (AGO) to bring action to assess civil penalties. All receipts, less recovery of AGO costs, shall be deposited into the Consumer Privacy Account and may only be used for the purposes of the OPDP. The amount of revenue that may be collected per Section 13 is unknown.

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.

WaTech does not have enough data to make reliable assumptions regarding the level of participation required to meet the provisions of Section 2 Part 6 of this bill; it is assumed WaTech can absorb the staff 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

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: 6281 2S SB	Title: Personal data	Agency: 360-University of Washington

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.0	0.0	0.0	3.0
Account					
General Fund-State 001-1	0	0	0	0	902,970
Total $	0	0	0	0	902,970

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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☐ If fiscal impact is less than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Kelsey Rote	Phone: 2065437466	Date: 02/14/2020
Agency Approval:	Kelsey Rote	Phone: 2065437466	Date: 02/14/2020
OFM Review:	Breann Boggs	Phone: (360) 902-0659	Date: 02/17/2020

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.

2S SB 6281 provides Washington residents with the consumer personal data rights of access, correction, deletion, data portability, and opt out of the processing of personal data for specified purposes; specifies the thresholds a business must satisfy for the requirements set forth in this act to apply; identifies certain controller responsibilities such as transparency, purpose specification, and data minimization; requires controllers to conduct data protection assessments under certain conditions; authorizes enforcement exclusively by the attorney general; and provides a regulatory framework for the commercial use of facial recognition services such as testing, training, and disclosure requirements.

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.

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.

If this bill were to pass, the UW would need to collaborate with the AGO to clarify what personal data at UW are and are not governed by the bill. We assume there are exemptions for human subjects research, healthcare, student data, employment data, and others. However, the scope may still include personal data collected from prospective students, parents, job applicants, alumni, donors, event participants, ticket holders, youth in youth programs, library patrons, and more. Once the balance is determined, then the UW would need to develop and maintain:

1. Processes and procedures consumers request associated with their data
2. Privacy notices for various types of activities
3. Consent forms for various types of activities
4. Data protection assessments for various types of activities
5. Operational processes for addressing concerns, investigations, etc.

In order to fulfill the above requirements, the UW Privacy Office would need to procure a system to, at minimum:

1. Identify what personal data is held where and for what purpose
2. Obtain consent from individuals
3. Assess the benefits and risks of certain activities
4. Track and respond to consumer request

We anticipate the following costs in FY25 and each year thereafter (unless otherwise noted) in order to comply with the language of the bill:

Salaries & Wages

- 1.0 FTE Privacy Program Manager (annual full-time salary $120,000, benefits rate 32.1%)
- 1.0 FTE Privacy Program Specialist (annual full-time salary $80,000, benefits rate 32.1%)

• 1.0 FTE Programmer (annual full-time salary $105,000, benefits rate 32.1%) for system support, online training, web development
• 1.0 FTE Project Manager (annual full-time salary $75,000, benefits rate 32.1%) temporary two year position in FY25 and FY26

Goods & Services
• Privacy program system $80,000 per year
• Operational costs for supplies, equipment, training materials, and other items $20,000 per year

We estimate the total cost to comply with this bill would be approximately $601,980 in FY25.

Given that we would need some time to prepare for the July 2024 date wherein the bill would apply to higher education institutions, we anticipate a ramp up period that would involve half of the FY25 costs in FY24. Complying with the bill would therefore cost $300,990 in FY24.

HOWEVER, there may be other additional legal costs, costs for our medical/hospital system, and costs for other areas and departments. These are unknown at this time, but could be significant.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	0	0	0	902,970
		Total $	0	0	0	0	902,970

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					3.0
A-Salaries and Wages					570,000
B-Employee Benefits					182,970
C-Professional Service Contracts					
E-Goods and Other Services					150,000
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	0	0	0	902,970

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 2020	FY 2021	2019-21	2021-23	2023-25
Privacy Program Manager	120,000					0.8
Privacy Program Specialist	80,000					0.8
Programmer	105,000					0.8
Project Manager	75,000					0.8
Total FTEs						3.0

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

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: 6281 2S SB	Title: Personal data	Agency: 365-Washington State University

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.0	0.0	0.0	1.5
Account					
General Fund-State 001-1	0	0	0	0	580,000
Total $	0	0	0	0	580,000

In addition to the estimates above, there are additional indeterminate costs 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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Chris Jones	Phone: 509-335-9682	Date: 02/17/2020
Agency Approval:	Chris Jones	Phone: 509-335-9682	Date: 02/17/2020
OFM Review:	Breann Boggs	Phone: (360) 902-0659	Date: 02/20/2020

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.

2S SB 6281 creates the Washington Privacy Act, which provides Washington residents with the consumer personal data rights of access, correction, deletion, data portability, and the right to opt out of the processing of personal data for specified purposes; specifies the thresholds a business must satisfy for the requirements set forth in this act to apply; identifies certain controller responsibilities such as transparency, purpose specification, and data minimization; requires controllers to conduct data protection assessments under certain conditions; authorizes enforcement exclusively by the attorney general; and provides a regulatory framework for the commercial use of facial recognition services such as testing, training, and disclosure requirements.

Section 5 describes the responsibilities according to role; it specifies that that processors shall implement and maintain reasonable security procedures and practices; ensure that each person processing personal data is subject to a duty of confidentiality; and processors shall engage a subcontractor only after providing the controller with an opportunity to object and pursuant to a written contract in accordance with Section 5 (5). Processing by a processor shall be governed by a contract between the controller and the processor that is binding on both parties. The processor shall, upon request of the controller, delete or return all personal data to the controller at the end of the provision of services.

Section 6 defines consumer personal data rights: the right of access, right to correction, right to deletion, right to data portability, and the right to opt out.

Section 8 describes the responsibilities of controllers, including providing consumers with an accessible and meaningful privacy notice. It also describes responsibilities related to transparency, purpose specification, data minimization, avoiding secondary use, security, nondiscrimination, sensitive data, and non-waiver of consumer rights.

Section 9 requires controllers to conduct data protection assessments on certain activities involving personal data.

Section 10 describes the limitations and applicability of the bill's provisions.

Section 17 concerns the appropriate use of facial recognition services and data by controllers and processors.

Per Section 18, the bill requirements would not apply to institutions of higher education until July 31, 2024.

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.

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.

2SSB 6281 has both determinate and indeterminate costs for WSU. Indeterminate costs are driven by lack of clarity around what constitutes personal data, who constitutes consumers and how often data protection assessments are required. Legal and software costs will be incurred but to what degree is indeterminate without

greater clarity.

Determinate impacts include core staffing needed to build up a Privacy Office and Program for the development of business processes, procedures and forms, including privacy notices and consent forms; handling customer requests; and conducting investigations.

WSU estimates the following staff and resources will be needed in order to be compliant with this bill:

- 1.0 Permanent FTE Privacy Program Manager (annual salary $110,000, benefits rate 35.0%)
- 1.0 Permanent FTE Privacy Analyst (annual salary $90,000, benefits rate 35.0%)
- Data Protection Assessment (assumes $85,000 one-time for initial assessment)
- Personal Data Discovery Application ($90,000 one-time; $30,000 annual recurring cost)

For purposes of the fiscal note, WSU is assuming six months of costs to occur in FY24 in order to ensure compliance once the bill takes effect in July 2024 for institutions of higher education.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	0	0	0	580,000
		Total $	0	0	0	0	580,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					1.5
A-Salaries and Wages					300,000
B-Employee Benefits					105,000
C-Professional Service Contracts					85,000
E-Goods and Other Services					90,000
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	0	0	0	580,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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 2020	FY 2021	2019-21	2021-23	2023-25
Privacy Analyst	90,000					0.8
Privacy Program Manager	110,000					0.8
Total FTEs						1.5

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: 6281 2S SB	Title: Personal data	Agency: 370-Eastern Washington University

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.0	0.0	0.0	2.3
Account					
General Fund-State 001-1	0	0	0	0	580,177
Total $	0	0	0	0	580,177

In addition to the estimates above, there are additional indeterminate costs 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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Alexandra Rosebrook	Phone: (509) 359-7364	Date: 02/20/2020
Agency Approval:	Alexandra Rosebrook	Phone: (509) 359-7364	Date: 02/20/2020
OFM Review:	Breann Boggs	Phone: (360) 902-0659	Date: 02/21/2020

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.

2S SB 6281 creates the Washington Privacy Act, which provides Washington residents with the consumer personal data rights of access, correction, deletion, data portability, and the right to opt out of the processing of personal data for specified purposes; specifies the thresholds a business must satisfy for the requirements set forth in this act to apply; identifies certain controller responsibilities such as transparency, purpose specification, and data minimization; requires controllers to conduct data protection assessments under certain conditions; authorizes enforcement exclusively by the attorney general; and provides a regulatory framework for the commercial use of facial recognition services such as testing, training, and disclosure requirements.

Section 5 describes the responsibilities according to role; it specifies that that processors shall implement and maintain reasonable security procedures and practices; ensure that each person processing personal data is subject to a duty of confidentiality; and processors shall engage a subcontractor only after providing the controller with an opportunity to object and pursuant to a written contract in accordance with Section 5 (5). Processing by a processor shall be governed by a contract between the controller and the processor that is binding on both parties. The processor shall, upon request of the controller, delete or return all personal data to the controller at the end of the provision of services.

Section 6 defines consumer personal data rights: the right of access, right to correction, right to deletion, right to data portability, and the right to opt out.

Section 8 describes the responsibilities of controllers, including providing consumers with an accessible and meaningful privacy notice. It also describes responsibilities related to transparency, purpose specification, data minimization, avoiding secondary use, security, nondiscrimination, sensitive data, and non-waiver of consumer rights.

Section 9 requires controllers to conduct data protection assessments on certain activities involving personal data.

Section 10 describes the limitations and applicability of the bill's provisions.

Section 17 concerns the appropriate use of facial recognition services and data by controllers and processors.

Per Section 18, the bill requirements would not apply to institutions of higher education until July 31, 2024.

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.

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.

The proposed bill does not identify what personal data that higher education institutions collect that would be subject to the identified requirements. Eastern would need to consult with the attorney general's office to identify how this bill applies to us. Upon determining the data Eastern would need to develop additional processes and

procedures to ensure compliance with the identified requirements.

Eastern will need the following staff and resources to be compliant with this proposed bill:

- 1 FTE IT Data Management Sr Specialist annual salary $109,000 and benefits $35,970 (33%)
- 1 FTE Programmer annual salary $88,500 and benefits $29,205 (33%)
- 1 FTE Program Manager annual salary $100,000 and benefits $33,000 (33%)
- Privacy tracking and retention software licenses estimated at $100,000 per year.

As stated in Section 18 of the proposed bill these requirements would be implement July 31, 2024. Eastern anticipates the indeterminate costs would start in FY2024 for a July implementation. We are anticipating 6 months of these costs would beginning in FY24 with the full year beginning for FY25.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	0	0	0	580,177
		Total $	0	0	0	0	580,177

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					2.3
A-Salaries and Wages					282,914
B-Employee Benefits					147,263
C-Professional Service Contracts					
E-Goods and Other Services					150,000
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	0	0	0	580,177

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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 2020	FY 2021	2019-21	2021-23	2023-25
IT Data Management Sr. Specialist	109,000					0.8
Program Manager	100,000					0.8
Programmer	88,500					0.8
Total FTEs						2.3

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: 6281 2S SB	Title: Personal data	Agency: 375-Central Washington University

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.0	0.0	0.0	4.0
Account					
General Fund-State 001-1	0	0	0	0	726,430
Total $	0	0	0	0	726,430

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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Lisa Plesha	Phone: (509) 963-1233	Date: 02/18/2020
Agency Approval:	Lisa Plesha	Phone: (509) 963-1233	Date: 02/18/2020
OFM Review:	Breann Boggs	Phone: (360) 902-0659	Date: 02/20/2020

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.

2S SB 6281 would give Washingtonians the consumer personal data rights of access, correction, deletion, data portability, and opt out of personal data processing for specific purposes. Thresholds that a business must satisfy to be in compliance with this bill are set forth and certain controller responsibilities are defined, such as transparency, data minimization, and data purpose specification. The bill would require controllers of data to conduct protection assessments and would authorize enforcement by the attorney general of the state of Washington. Additionally, regulations around the commercial use of facial recognition services would be established for activities such as testing, training, and disclosure.

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.

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.

The bill language is not clear on what personal consumer data that CWU is in control of that would be subject to compliance under this bill proposal and CWU would need to consult with the attorney general's office to make that determination. Once the data is identified that would be subject to compliance under this bill, CWU would need to develop and maintain certain processes and procedures associated with consumer data requests, privacy notices and consent forms, the data protection assessments specified in the bill language and processes for responding to concerns, investigations, and remediation.

Additionally, CWU would need to be able to identify what type of personal data is retained and for what purpose, obtain consent from individuals to retain said data, assess whether data should be retained or not, and track and respond to customer requests.

Because CWU would not be required to comply with this legislation until July 2024, we anticipate costs associated with determining the aforementioned procedural and system developments for retaining and tracking the data as well as the development of necessary consent forms and privacy notices to cost as follows:

1 FTE IT Security Senior Specialist ($112,000 annual salary + 33% benefits rate)
1 FTE IT Security Expert ($129,000 annual salary + 33% benefits rate)
1 FTE IT Data Management Journey ($101,000 + 33% benefits rate)
1 FTE IT Project Manager/Senior Manager ($129,000 annual salary + 33% benefits rate)
Privacy tracking and retention software license ~$100,000

With a 6 month preparation period prior to implementation, CWU would split the total costs itemized above over FY24 and FY25 with a total cost to comply of $726,430

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	0	0	0	726,430
		Total $	0	0	0	0	726,430

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					4.0
A-Salaries and Wages					471,000
B-Employee Benefits					155,430
C-Professional Service Contracts					
E-Goods and Other Services					100,000
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	0	0	0	726,430

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 2020	FY 2021	2019-21	2021-23	2023-25
IT Data Management Journey	101					1.0
IT Project Manager/Senior Manager	129,000					1.0
IT Security Expert	129,000					1.0
IT Security Senior Specialist	112,000					1.0
Total FTEs						4.0

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

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: 6281 2S SB	Title: Personal data	Agency: 380-Western Washington University

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.0	0.0	0.0	1.8
Account					
General Fund-State 001-1	0	0	0	0	633,558
Total $	0	0	0	0	633,558

In addition to the estimates above, there are additional indeterminate costs 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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Kristen Stouder	Phone: (360) 650-2811	Date: 02/21/2020
Agency Approval:	Ted Castro	Phone: (360) 650-4694	Date: 02/21/2020
OFM Review:	Breann Boggs	Phone: (360) 902-0659	Date: 02/21/2020

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.

2S SB 6281 provides Washington residents with the consumer personal data rights of access, correction, deletion, data portability, and top out of the processing of personal data for specified purposes; specifies the thresholds a business must satisfy for the requirements set forth in this act to apply; identifies certain controller responsibilities such as transparency, purpose specification, and data minimization; requires controllers to conduct data protection assessments under certain conditions; authorizes enforcement exclusively by the attorney general; and provides a regulatory framework for the commercial use of facial recognition services such as testing, training and disclosure requirements.

Section 5 describes the responsibilities according to role. The bill requires that processors implement and maintain security procedures and practices, and ensures that persons processing personal data are subject to confidentiality. Section 5 requires a binding contract between the controller and processor when a processor engages in processing of data.

Section 6 defines consumer personal data rights which includes the right of access, right to correction, right to deletion, right to data portability, and the right to opt out.

Section 8 defines the responsibilities of controllers, including providing consumers with an accessible and meaningful privacy notice, data transparency, purpose specification, data minimization, security, nondiscrimination, sensitive data, and non-waiver of consumer rights for controllers.

Section 9 requires controllers to conduct data protection assessments involving personal data.

Section 10 describes limitations and applicability of the bill's provisions.

Section 17 concerns the appropriate use of facial recognition services and data by controllers and processors.

Section 18 states that the requirements in this bill do not apply to institutions of higher education until July 31, 2024.

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.

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.

The language in 2S SB 6281 is unclear regarding what types of consumer data apply to Western Washington University that would be subject to compliance under this bill. WWU would need to consult with the attorney general's office to clarify what types of data fall under the regulations in this bill. The bill indicates that there are exemptions for student and employment data but it is unclear what other kinds of data WWU maintains that are subject to requirements of this bill. Further, it is unclear what WWU's role is in terms of if WWU is considered a processor, a controller, or both depending on the situation.

Once data are identified as subject to the requirements of this bill, WWU would need to develop, implement, and maintain policies and procedures consistent with the bill regarding consumer data requests, privacy notices and consent forms, the data protection assessments specified in the bill language and processes for responding to concerns, investigations, and remediation. WWU would also need to identify what types of personal data are retained and for what purposes, obtain consent from individuals to retain those data, evaluate whether or not data should be retained, and manage responses to consumer requests.

In order to comply with the requirements of this bill, WWU expects costs associated with developing procedures and systems to identify: the types of personal data the institution maintains and for what purpose, if those data are subject to the requirements in this law, develop consent forms and privacy notices, and track and respond to consumer requests.

We expect the following one-time costs starting in FY2024 to be in compliance by the start of FY2025:
•.25 FTE Senior Systems Analyst/Programmer (annual salary $93,000 benefits rate of 31%)
•.25 FTE IT Project Manager (annual salary $90,000, benefits rate of 32%)
•.5 FTE Program Manager - Security (IT) (Annual salary $100,000 benefits rate 40%)
•1.0 FTE Privacy Specialist/Analyst (annual salary $80,000, benefits rate 32%)
•Data Protection Assessment ($85,000, one-time initial assessment contract with consultant)
•Privacy program application ($90,000 one-time)

In FY2025 and thereafter, we expect the following recurring costs:
•.5FTE Program Manager - Security (IT) (Annual salary $100,000 benefits rate 40%)
•1.0 FTE Privacy Specialist/Analyst (annual salary $80,000, benefits rate 32%)
•$30,000 ongoing licensing for privacy program application

Per OFM guidance for past fiscal notes, we have not adjusted salaries for future increases, which are likely to be approximately 10% higher in FY24 than current salary rates listed.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	0	0	0	633,558
		Total $	0	0	0	0	633,558

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					1.8
A-Salaries and Wages					315,750
B-Employee Benefits					112,808
C-Professional Service Contracts					85,000
E-Goods and Other Services					120,000
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	0	0	0	633,558

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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 2020	FY 2021	2019-21	2021-23	2023-25
IT Project Manager	90,000					0.1
Privacy Specialist/Analyst	80,000					1.0
Program Manager - Security (IT)	100,000					0.5
Senior Systems Analyst/Programmer	93,000					0.1
Total FTEs						1.8

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: 6281 2S SB	Title: Personal data	Agency: 699-Community and Technical College System

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
Account					
General Fund-State 001-1	0	0	0	0	16,160,000
Total $	0	0	0	0	16,160,000

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:	Sarian Scott	Phone: 360-786-7729	Date: 02/07/2020
Agency Preparation:	Brian Myhre	Phone: 360-704-4413	Date: 02/20/2020
Agency Approval:	Cherie Berthon	Phone: 360-704-1023	Date: 02/20/2020
OFM Review:	Breann Boggs	Phone: (360) 902-0659	Date: 02/21/2020

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.

This bill would create consumer rights regarding the data handling practices of private businesses.

Section 3
Provides for definitions used in the bill including definitions for; consumer, controller, facial recognition service, processor, sensitive data and third party.

Section 4
Specifies that the bill applies to legal entities that conduct business in Washington or who produce products or services that are targeted to residents of the state and satisfy at least one of the following:

- Controls or processes the personal data of one hundred thousand consumers or more in a calendar year
- Derives over fifty percent of gross revenue from the sale of personal data and processes or controls personal data of twenty-five thousand consumers or more

Certain information is exempt from requirements in the bill including data maintained for employment records purposes.

Section 5
Describes the responsibilities according to role; it specifies that that processors shall implement and maintain reasonable security procedures and practices; ensure that each person processing personal data is subject to a duty of confidentiality; and processors shall engage a subcontractor only after providing the controller with an opportunity to object and pursuant to a written contract in accordance with Section 5 (5). Processing by a processor shall be governed by a contract between the controller and the processor that is binding on both parties. The processor shall, upon request of the controller, delete or return all personal data to the controller at the end of the provision of services.

Section 6
Defines consumer personal data rights: the right of access, right to correction, right to deletion, right to data portability, and the right to opt out.

Section 8
Describes the responsibilities of controllers, including providing consumers with an accessible and meaningful privacy notice. It also describes responsibilities related to transparency, purpose specification, data minimization, avoiding secondary use, security, nondiscrimination, sensitive data, and non-waiver of consumer rights.

Section 9
Requires controllers to conduct data protection assessments on certain activities involving personal data.

Section 10
Describes the limitations and applicability of the bill's provisions.

Section 17
Concerns the appropriate use of facial recognition services and data by controllers and processors.

Section 18
Specifies the bill requirements would not apply to institutions of higher education until July 31, 2024.

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.

No cash receipts impact.

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.

The bill would result in fiscal impacts.

The State Board for Community and Technical Colleges (SBCTC), along with colleges in the system, would need to collaborate with the Office of Attorney General to clarify what personal data is governed by the bill. The scope may still include personal data collected from prospective students, parents, job applicants, alumni, donors, event participants, ticket holders, youth in youth programs, library patrons, and more. Once the scope is determined, a Privacy Office and Program would need to be created and staffed at each college for the development of business processes, procedures and forms, including privacy notices and consent forms; handling customer requests; and conducting investigations.

In order to fulfill the above requirements, it is estimated the following staff and resources will be needed:

SBCTC
1.0 FTE – Privacy Program Manager ($120,000 salary & benefits)

At Each College
1.0 FTE – Privacy Program Manager ($120,000 salary & benefits)
1.0 FTE – IT Specialist 5 ($120,000 salary & benefits)
Privacy tracking software license ($30,000 annual recurring cost)
Data Protection Assessment (assumes $65,000 one-time for initial assessment in FY24)

Given that some time would be needed to prepare for the July 2024 (FY25) date when the bill would apply to higher education institutions, there would be a ramp up period in FY24.

SBCTC Costs
FY24 – $60,000 staff
FY25 onward – $120,000

Cost per college
FY24 – $120,000 staff + $15,000 software + 65,000 data assessment = $200,000
FY25 onward – $240,000 + $30,000 software = $270,000

TOTAL COSTS
FY24 – ($60,000 SBCTC) + ($200,000 X 34 colleges) = $6,860,000
FY25 onward – ($120,000 SBCTC) + ($270,000 X 34 colleges) = $9,300,000

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	0	0	0	16,160,000
		Total $	0	0	0	0	16,160,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					
A-Salaries and Wages					9,345,000
B-Employee Benefits					3,075,000
C-Professional Service Contracts					2,210,000
E-Goods and Other Services					1,530,000
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	0	0	0	16,160,000

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*

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