Multiple Agency Fiscal Note Summary

Bill Number: 2523 HB	**Title:** Community reinvestment prg.

Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outloo	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	Non-zero but indeterminate cost and/or savings. Please see discussion.											
The Evergreen State College	.5	158,595	158,595	158,595	.0	0	0	0	.0	0	0	0
Total $	**0.5**	**158,595**	**158,595**	**158,595**	**0.0**	**0**	**0**	**0**	**0.0**	**0**	**0**	**0**

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
The Evergreen State College	.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: Gwen Stamey, OFM	**Phone:** (360) 790-1166	**Date Published:** Final 1/30/2026

FNPID: 76071

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 2523 HB	Title: Community reinvestment prg.	Agency: 090-Office of State Treasurer

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:	Martha Wehling	Phone: 360-786-7067	Date: 01/19/2026
Agency Preparation:	Mandy Kaplan	Phone: (360) 902-8977	Date: 01/23/2026
Agency Approval:	Dan Mason	Phone: (360) 902-8990	Date: 01/23/2026
OFM Review:	Megan Tudor	Phone: (360) 890-1722	Date: 01/26/2026

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.

HB 2523 amends the community reinvestment program.

The cost to the office is negligible, therefore this fiscal note reflects a 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

Bill Number: 2523 HB	Title: Community reinvestment prg.	Agency: 103-Department of Commerce

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

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:	Martha Wehling	Phone: 360-786-7067	Date: 01/19/2026
Agency Preparation:	Jessica Wilson	Phone: 360-725-2911	Date: 01/30/2026
Agency Approval:	Justin Rogers	Phone: 360-810-1148	Date: 01/30/2026
OFM Review:	Gwen Stamey	Phone: (360) 790-1166	Date: 01/30/2026

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 states the legislative intent to transfer no less than $100,000,000 per year into the Community Reinvestment Account for the continued implementation of the Community Reinvestment Plan (CRP).

Section 2 amends RCW 43.79.567 to:

• Codify an expanded definition of "by and for community organizations" to explicitly include those operated by and for Black, Latino, Native American, Asian, Native Hawaiian, and Pacific Islander communities.

Section 3 adds a new section to chapter 43.330 RCW requiring Commerce to:

• Update the Community Reinvestment Plan in partnership with the Office of Equity and community organizations every 10 years, with the first update due in 2032.

• Submit a biennial report to the governor and legislature starting June 30, 2027, that includes "outcome-based metrics."

Section 4 Requires Commerce to cooperate with the Washington State Institute for Public Policy (WSIPP) to facilitate access to data and resources for a study on the distribution and use of funds, including data on organizations that were eligible but did not receive funding. This section expires June 1, 2028.

Workload and Policy Assumptions:

• Scale of Administration: Commerce assumes the legislative intent to appropriate no less than $100,000,000 annually will require a proportional increase in full-time equivalent (FTE) staff to manage the increased volume of contracts and technical assistance (TA).

• Agricultural Portfolio: Depending on legislative intent, potential need for a dedicated Portfolio lead to design and administer this new grant sector.

• Data and Audit Readiness: Compliance with the WSIPP study (Sec 4) and biennial reporting (Sec 3) assumes the need for dedicated Data and Evaluation staff to aggregate outcome-based metrics and organize data regarding unfunded applicants for external review by June 30, 2027.

• Outreach and Engagement: Permanent adoption of the expanded statutory definition of "by and for" (Sec 2) assumes increased workload for outreach and TA to ensure Asian, Native Hawaiian, and Pacific Islander organizations are adequately supported in the application process. Additionally, each new plan iteration will require substantive community engagement.

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.

The Department of Commerce (Commerce) finds that there is an indeterminate expenditure impact. The analysis provided below assumes an appropriation of $100,000,000 per year.

Commerce staffing needs:

To administer no less than $100,000,000 annually, Commerce assumes the need to maintain the current Community Reinvestment Plan (CRP) staffing infrastructure with the possibility of future staffing increases depending on legislative direction.

CURRENT POSITIONS:

These current positions are funded through the 2025-2027 biennium and represent CRP's current infrastructure plan which would need to be maintained. These are all permanent, ongoing positions.

1.0 FTE, WMS3, CRP Managing Director: Leads statewide CRP strategy, legislative alignment, and executive decision-making across all CRP investment areas.

1.0 FTE, WMS1, CRP Operations Manager: Manages day-to-day operations including contracts workflows, internal controls, reporting cadence, and risk management.

1.0 FTE, WMS2, CRP Strategic Partnerships Manager: Leads statewide partner, policy and communications strategies and ensures systems alignment.

1.0 FTE, Commerce Specialist 4, Workforce Development Strategist: Serves as CRP's programmatic subject matter expert on workforce readiness, economic mobility, and small business resilience. Oversees and manages partnerships with Workforce Development Councils.

1.0 FTE, Commerce Specialist 3, Technical Assistance & Capacity Building Specialist: Designs and manages CRP's statewide technical assistance system to support contracting for by-and-for/community-based organizations.

1.0 FTE, Management Analyst 5, Tribal Relations Strategist: Leads tribal consultation/collaboration strategy tied to CRP tribal set-asides and supports CSD-wide tribal engagement, including culturally responsive contracting practices and data sovereignty considerations.

1.0 FTE, Management Analyst 4, Community Relations Strategist: Coordinates CRP communications, tracking of bills related to CRP during legislative session, and facilitates community partner engagement.

1.0 FTE, Commerce Specialist 1, Contracts Coordinator: Coordinates CRP contract development, execution, and tracking across portfolios, maintaining centralized records of deliverables, timelines, and documentation.

1.0 FTE, Commerce Specialist 2, Data & Evaluation Coordinator: Leads CRP's performance measurement, dashboards, legislative reporting, and learning cycles across all portfolios.

1.0 FTE, Budget Analyst 4: Manages CRP budgets, provides financial management support, including budget development, and allotments.

1.0 FTE, Commerce Specialist 3, CRP Legal Aid Portfolio Manager: Manages CRP legal assistance portfolio coordination (procurement/grants, vendor strategy, coverage goals, contract compliance, and performance reporting).

1.0 FTE, Commerce Specialist 3, CRP Reentry Services Portfolio Manager: Manages CRP reentry services portfolio coordination (procurement/grants, vendor strategy, coverage goals, contract compliance, and performance reporting).

1.0 FTE, Commerce Specialist 5, CRP Violence Prevention Manager: Provides strategic guidance on violence prevention strategies aligned with the Community Reinvestment Account. Approves community-led procurement processes for local

violence prevention grants.

Small Business Resiliency Network positions: Oversee and manage CRP investments with Small Business Resiliency Network partners.

0.5 FTE, WMS2
0.5 FTE, Commerce Specialist 3

CRP Housing Division Positions: to provide leadership over the housing and assets strategy, facilitation of competitive processes, management of contracts, contract compliance, performance goals, and coordination with other homeownership programs and CRP investment areas.

1.0 FTE, Commerce Specialist 4
1.0 FTE, Commerce Specialist 3
0.2 FTE, Commerce Specialist 5

ADDITIONAL STAFFING NOTES:

The original CRP plan and 2023-2025 funding proviso supported four investment areas outlined in RCW 43.79.567. Although the Legislature added a fifth area (2)(e) agricultural and economic support in 2023, the 2025-27 proviso requires investments to remain proportional to the 2023-25 plan. As a result, Commerce has no current grant program or staffing for the new (2)(e) category.

If Commerce is directed to add this fifth investment area in the future, we anticipate needing 1.0 FTE (Commerce Specialist 4) to serve as the CRP Agriculture Portfolio Lead, responsible for program design, implementation and full portfolio management.

During 2023-25, CRP funded 17 programs across the four original areas. With the reduced funding in 2025-27, Commerce is administering one competitive grant program per area. The fiscal note reflects staffing needed to maintain this structure. If Commerce must reinstate prior-biennium programs, additional Commerce Specialist 3 Contract Managers may be required.

A - Salaries:

FY28-31: $1,538,432 per fiscal year

B - Benefits:

FY28-31: $738,447 per fiscal year

Benefits are calculated at 48% of salaries

*Funding for existing CRP positions is provided in the 2025-2027 biennium; therefore, those costs are reflected beginning in FY28.

C - Professional Services Contracts:

FY27: $65,000
FY28 & FY30: $45,700 each fiscal year
FY29 & FY31: $110,700 each fiscal year

Language access services - $45,700 per fiscal year, starting in FY28

To support accessible community engagement, CRP plans to utilize the DES Statewide Contract for Language Access Services.

Translation: $50 per page x 20 pages x 5 investment areas x 5 languages = $25,000
Assumptions are calculated from average cost of translation for one page of content. This allows 20 pages of content per investment area in top 5 languages.

Interpretation: $69 per hour x 60 hours per year x 5 languages = $20,700
Commerce assumes up to 5 hours of interpretation services for each of the local advisory teams per year. Could be used to create accessible meetings, gather community feedback to inform the plan, or gather community feedback to evaluate CRP program outcomes.

CRP biannual report - $65,000 per biennium, starting in FY27

Sec 3 (4) requires the Department to submit a legislative report by June 30, 2027, and every two years thereafter. Commerce plans to contract internally with Research Services to provide data analysis, plan development, and report writing. Estimated cost based on similar legislative reports involving complex stakeholder relationships. Costs may be higher depending on the complexity of the data analysis and stakeholder engagement.

CRP Plan Update - every 10 years, beginning in FY32

Sec 3 (1) requires the Department to partner with the Office of Equity and by and for organizations to update the community reinvestment plan every 10 years. The legislature appropriated $1,000,000 for the original Community Reinvestment Plan, which covered the cost of the community-led research, data analysis, extensive community engagement, coordination with existing/relevant as forces and workgroups, and the development plan. Commerce anticipates continuous iterations will require less depth than the original plan but will still require data analyses and substantial community engagement.

For future CRP plan updates beginning in FY32, CRP staff will absorb the majority of the workload. Commerce plans to contract internally with Research Services to provide data analysis, plan development, and report writing. The work period is planned for July 1, 2031, through June 30, 2032, and estimated costs are up to $110,000 based on similar legislative reports involving complex stakeholder relationships. Staff rates may be different during the time this report is estimated to be produced. Costs may be higher depending on the complexity of the data analysis and stakeholder engagement.

E - Goods & Services:

FY27: $10,500
FY28-31: $80,200 per fiscal year

Assumptions include: $5,000 per fiscal year per FTE for training, office supplies and central service costs.

Attorney General Legal Services: Commerce assumes 50 hours will be required in FY27 with a total cost of $10,500 (50 x

$210/hour = $10,500) and 20 hours for each subsequent year, totaling $4,200 per fiscal year (20 x $210/hour = $4,200).

G - Travel:

FY28-31: $15,000 per fiscal year

Assumptions include: $1,000 per fiscal year per FTE. CRP uses a regional funding model which includes 12 regions across the state following the same regional boundaries as workforce development councils. CRP leadership, staff and contract managers will require the ability to travel to each of the 12 regions to meet with local advisory teams, grantees, and engage communities.

N - Grants, Benefits and Client Services:

FY28 & FY30: $96,860,450 each fiscal year
FY29 & FY31: $96,795,450 each fiscal year

Workforce Development Contract - $14,475,000 per biennium starting in 2027-2029

Commerce assumes our existing partnership and interagency agreement with the Employment Security Department would continue as currently scoped in terms of roles and responsibilities. Current interagency agreement ends June 30, 2027.

*Please note that the contract amount would change if this bill were to be appropriated as intended and mirror the 2023-2025 interagency agreement, which was $50 million per biennium to manage workforce and career strategies funded through CRP in partnership with Workforce Development Councils.

Pass Through Grants - Based on the amount appropriated for the implementation of HB 2523, all remaining CRP funds after administrative and other contract costs are deducted will be granted out to communities to implement CRP programs.

T - Intra-agency Reimbursements:

FY28-31: $721,771 per fiscal year

Indirect rate is calculated at 31.7% of Salaries and Benefits total.

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

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 2523 HB	Title: Community reinvestment prg.	Agency: 376-The Evergreen State College

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.0	0.9	0.5	0.0	0.0
Account					
General Fund-State 001-1	0	158,595	158,595	0	0
Total $	0	158,595	158,595	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:	Martha Wehling	Phone: 360-786-7067	Date: 01/19/2026
Agency Preparation:	Catherine Nicolai	Phone: (360) 664-9087	Date: 01/21/2026
Agency Approval:	Lisa Dawn-Fisher	Phone: 564-233-1577	Date: 01/21/2026
OFM Review:	Ramona Nabors	Phone: (360) 742-8948	Date: 01/26/2026

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.

Sec. 4 of HB 2523 directs the Washington State Institute for Public Policy (WSIPP) to conduct a study researching, analyzing, and determining, to the extent practicable, the Department of Commerce's distribution of and the recipient organizations' use of the funds allocated under the community reinvestment account in RCW 43.79.567.
In conducting the study, WSIPP may conduct fact-finding and stakeholder discussions with the Department, the office of equity, organizations that received funds, and organizations that were eligible for funds but did not receive funds.

A report is due to the legislature by June 30, 2027.

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.

In order to complete the assignment outlined in Sec. 4 of HB 2523, WSIPP would assign the following resources:

FY27:
-0.79 FTE Researcher to submit data requests, conduct outreach, process and analyze the data, and write the report.
-0.06 FTE Methods Review to develop a study plan.
-0.06 FTE Editing/Publication for publication.

*Goods and other services include a 12% indirect rate for The Evergreen State College.

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	158,595	158,595	0	0
		Total $	0	158,595	158,595	0	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years		0.9	0.5		
A-Salaries and Wages		109,046	109,046		
B-Employee Benefits		32,557	32,557		
C-Professional Service Contracts					
E-Goods and Other Services		16,992	16,992		
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	158,595	158,595	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*

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Editing/Publication	113,985		0.1	0.0		
Methods Review	128,020		0.1	0.0		
Researcher	113,988		0.8	0.4		
Total FTEs			0.9	0.5		0.0

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.