

Multiple Agency Fiscal Note Summary

Bill Number: 1939 HB	Title: Social work compact
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Washington State Patrol	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Health	0	0	0	0	0	0	0	0	218,000
Total \$	0	0	0	0	0	0	0	0	218,000

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Patrol	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Department of Health	.0	0	0	0	.3	0	0	91,000	.7	0	0	201,000
Total \$	0.0	0	0	0	0.3	0	0	91,000	0.7	0	0	201,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Department of Health	.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

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Phone:
(360) 485-5716

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Final 1/12/2024

Individual State Agency Fiscal Note

Bill Number: 1939 HB	Title: Social work compact	Agency: 225-Washington State Patrol
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

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

Estimated Operating Expenditures from:

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

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Elizabeth Allison	Phone: 360-786-7129	Date: 01/05/2024
Agency Preparation: Thomas Bohon	Phone: (360) 596-4044	Date: 01/10/2024
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 01/10/2024
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 01/11/2024

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.

There is an indeterminate fiscal impact to the Washington State Patrol (WSP).

Section 4(2) outlines the requirements for states to maintain membership in the compact, including implementing procedures for considering criminal history records of applicants, including a federal and applicable state agency fingerprint (or other biometric) based check.

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.

The cash receipts from the proposed legislation are indeterminate due to the effective date being contingent on the seventh state adopting the legislation.

Whenever the seventh state adopts the legislation and the bill goes into effect, the Department of Health (DOH) is estimating 1,740 new background checks annually thereafter.

Assuming electronic submissions, we will charge \$34.25 for background checks. \$11.25 of that fee is passed to the Federal Bureau of Investigation (FBI) while we retain \$23, leaving total revenue to the Fingerprint Identification Account at \$40,020 annually.

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 expenditures from the proposed legislation are indeterminate due to the effective date being contingent on the seventh state adopting the legislation.

Whenever the seventh state adopts the legislation and the bill goes into effect, the DOH is estimating 1,740 new background checks annually thereafter. The increased workload from these new background checks will take 0.25 FTE of a Fingerprint Technician 2. Based on estimated FY25 pay ranges, the costs associated total \$32,049 per year.

We base estimated salary expenditures on current levels for the positions requested per published salary schedules, plus any applicable incentive or assignment pay. We compute estimated benefits expenditures based on federal or state mandated rates plus state provided amounts for health insurance and workers' compensation insurance. We assume that any increases in these rates or amounts will be covered by legislation establishing the increase.

We base our estimate for agency indirect costs on the approved federal indirect cost rate of 33.41 percent. We apply this indirect cost rate percentage to all categories of expenditure with only two exceptions: capital equipment and expenditures after \$25,000 of each projected contract. Indirect costs include, but are not limited to, computer and telecommunications support, payroll processing, vendor payments, general accounting, procurement administration, inventory control, and human resource management.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.
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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: 1939 HB	Title: Social work compact	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Health Professions Account-State 02G-1					218,000
Total \$					218,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.0	0.0	0.3	0.7
Account					
Health Professions Account-State 02G-1	0	0	0	91,000	201,000
Total \$	0	0	0	91,000	201,000

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: Elizabeth Allison	Phone: 360-786-7129	Date: 01/05/2024
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 01/12/2024
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/12/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/12/2024

Part II: Narrative Explanation

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

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

This bill adds a chapter to Title 18 RCW (Businesses and Professions) to facilitate interstate practice of social workers and improve access to social work services.

Section 1: Allows clinical social workers in compact member states to practice in Washington state. Collaborate with other states and interested parties to find alternatives to the association of social work boards and licensing test.

Section 2: Compact member states shall share licensure and disciplinary information, using a data system.

Section 4: Utilize the Federal Bureau of investigation to implement procedures for considering criminal history records of applicants.

Section 6: Upon application for multistate license the home state licensing authority shall determine the applicant's eligibility for a multistate license.

Section 10: Remote states shall have the authority to take adverse action against regulated social workers multistate authorization to practice only within that member state. Only the home state shall have the authority to take adverse action against a regulated social worker's multistate license.

Section 15: The compact shall come into effect on the date on which the compact statute is enacted into law in the seventh member state.

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.

Current law, RCW 43.70.250 (License fees for professions, occupations, and businesses.), requires that each professional, occupational, or business licensing program be fully self-supporting, and that sufficient revenue collected through fees to fund expenditures. The calculation of specific fees will happen during rulemaking and a fee proposal will be presented as part of the rules package. For the purpose of this fiscal note, the compact privilege fee is estimated at \$170 for the application and \$70 for renewals which is consistent with the independent clinical social worker fees. During the rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input. The department will monitor the fund balance and will adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

Section 15 identifies the compact shall come into effect on the date in which the compact statute is enacted into law in the seventh member state. Per the Social Work Licensure Compact website, Missouri is the only state this compact has been enacted and currently there are 20 states, including Washington, with legislation pending. Based on the Mental Health Counselor Compact, the Department of Health (department) assumes that the Social Work Licensure Compact will need two years to complete its rules and assumes it will take 12 months for program to adopt rules necessary to implement this bill therefore the department assumes revenue will be collected July 1, 2027.

Washington Administration Code (WAC) 246-12-020 (3) states the initial credential will expire on the practitioner's birthday, except for faculty or postgraduate education credentials authorized by law. Initial credentials issued within ninety days of the practitioner's birthday do not expire until the practitioner's next birthday. Based on this WAC, the department assumes 179 first year applicants will need to renew their license in the first year as their birthday will fall outside of ninety days from issuance of initial credential. Ongoing renewals are based on the profession's current renewal rate of the previous

year's applications and renewals. Based on the renewal rate of fully licensed independent clinical social workers the department assumes a 92% renewal rate.

FY 2028 – \$145,000 (780 applications 179 renewals)

FY 2029 – \$73,000 (133 applications 718 renewals)

FY 2030 – \$79,000 (145 applications 782 renewals)

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.

Rulemaking

The department will develop and adopt rules to facilitate interstate practice of social workers and improve access to social work services. The department anticipates utilizing a team of subject matter experts to implement this bill. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. This process will include two meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$4,000.

FY 2027 one-time costs will be 0.2 FTE and \$29,000.

Office of Innovation and Technology (OIT)

Section 2, 6, and 10: Implementation of this bill will require the department to modify the Healthcare Enforcement and Licensing Modernization System (HELMS). Work will include the creation of new credentials, and applications as well as updating of reports, user defined fields, and workflows.

FY 2027 costs will be 0.3 FTE and \$62,000

FY 2028 and ongoing, costs will be 0.1 FTE and \$21,000

Credentialing

Section 4: The department will develop a process to convert home state licenses into a privilege credential when a new home state license has been issued and convert a privilege credential into a home state license when the licensed professional counselor changes primary state. This process will increase workload in the Credentialing section. New application forms for the privileged credential will be created, including electronic and paper forms. Those forms will be developed and tested, along with use case development.

The department received an average of 65 out of state applications for social worker independent clinical and social worker independent associates per month during 2022 and 2023 . Based on this, the department assumes 708 compact privilege requests per year. Starting in FY2027, there will be costs for staff to review and process compact privilege applications, provide technical assistance, and issue compact privileges.

FY 2028 costs will be 0.5 FTE and \$63,000

FY 2029 and ongoing costs will be 0.1 FTE and \$10,000

Federal Background Checks

This bill requires all new social worker multistate license applicants to obtain fingerprints through an FBI background check at initial licensure. Residents that apply for the Washington state license are currently not subject to the FBI background check. Per section 4, the department assumes FBI background checks will be performed on all new Washington home state applicants. The department received an average of 145 FBI background checks for out of state social worker independent clinical and social worker independent associates per month during 2022 and 2023. Based on this, the department assumes an increase of 1,740 FBI background checks each year.

FY 2028 and ongoing costs will be 0.2 FTE and \$24,000

Office of Investigative and legal Services (OILS)

Section 10: Based on Social Workers Independent Clinical’s complaint rate of 1.45% , the department is estimating 11 complaints per year (780 x 1.45%).

The complaint response process includes five steps: 1) intake, 2) assessment, 3) investigation, 4) case disposition, and 5) adjudication. Staff review the complaint, identify the history of the person complained about, and help assess whether an investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, and other staff work to develop the legal documents and charge the violation. Most cases are settled, and the staff attorney manages that process. If the respondent asks for a hearing, staff must schedule the hearing, and the health law judge considers all legal motions, presides over the hearing, and drafts the final order.

Assuming the above, cost estimates for the complaint response process associated with this bill were calculated using the department’s Disciplinary Workload Staffing Model.

FY 2028 costs will be 0.1 FTE \$21,000
FY 2029 and ongoing costs will be 0.1 FTE \$17,000

TOTAL COSTS TO IMPLEMENT THIS BILL:

FY 2027: 0.5 FTE and \$91,000
FY 2028: 0.9 FTE and \$129,000
FY 2029 and ongoing: 0.5 FTE and \$72,000

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
02G-1	Health Professions Account	State	0	0	0	91,000	201,000
Total \$			0	0	0	91,000	201,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years				0.3	0.7
A-Salaries and Wages				47,000	98,000
B-Employee Benefits				16,000	39,000
C-Professional Service Contracts				1,000	
E-Goods and Other Services				23,000	50,000
T-Intra-Agency Reimbursements				4,000	14,000
9-					
Total \$	0	0	0	91,000	201,000

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 2024	FY 2025	2023-25	2025-27	2027-29
ADMINISTRATIVE ASST 1	46,596					0.2
HEALTH SERVICES CONSULTAN 1	58,104					0.3
HEALTH SERVICES CONSULTAN 2	69,072					0.1
HEALTH SERVICES CONSULTAN 3	78,120					0.1
HEALTH SERVICES CONSULTAN 4	86,208				0.1	
IT APPLICATION DEVELOPMENT SENIOR/SPECIALIST	120,456				0.1	0.1
IT BUSINESS ANALYST - JOURNEI	104,028				0.1	
IT DATA MANAGEMENT - JOURNEY	109,260				0.1	
MANAGEMENT ANALYST 4	86,208				0.1	0.1
Total FTEs					0.3	0.7

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.

Sections 2-17: The department will create a new chapter in Title 18 RCW (Businesses and Professions) to implement this bill.



Multiple Agency Ten-Year Analysis Summary

Bill Number 1939 HB	Title Social work compact
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This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Washington State Patrol Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Department of Health	0	0	0	0	145,000	73,000	79,000	86,000	94,000	103,000	580,000
Total	0	0	0	0	145,000	73,000	79,000	86,000	94,000	103,000	580,000



Ten-Year Analysis

Bill Number 1939 HB	Title Social work compact	Agency 225 Washington State Patrol
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

Projected cash receipts to the Washington State Patrol (WSP) are indeterminate due to the effective date being indeterminate.

Per section 4(2), member states of the compact are required to implement procedures for considering criminal history records of applicants, including a federal and applicable state agency fingerprint (or other biometric) based check. Section 15 of the proposed legislation states the bill does not go into effect until the seventh state adopts the legislation, so we are unable to know exactly when cash receipts will begin, however the Department of Health is able to estimate there will be 1,740 new background checks requested annually. Assuming electronic submissions, the fingerprint processing fee is \$34.25. Of that \$34.25 fee, \$11.25 covers the Federal Bureau Investigation's fee, while \$23 is deposited into the State Fingerprint Identification Account for covering costs incurred in our Criminal Records Division. Total annual revenue projected to be \$40,020 annually once the bill is in effect.

Agency Preparation: Thomas Bohon	Phone: (360) 596-4044	Date: 1/10/2024 1:07:47 pm
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 1/10/2024 1:07:47 pm
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 1/12/2024 6:06:59 pm



Ten-Year Analysis

Bill Number 1939 HB	Title Social work compact	Agency 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Social Worker Compact	02G					145,000	73,000	79,000	86,000	94,000	103,000	580,000
Total						145,000	73,000	79,000	86,000	94,000	103,000	580,000
Biennial Totals						218,000		165,000		197,000		580,000

Narrative Explanation (Required for Indeterminate Cash Receipts)

Current law, RCW 43.70.250 (License fees for professions, occupations, and businesses.), requires that each professional, occupational, or business licensing program be fully self-supporting, and that sufficient revenue collected through fees to fund expenditures. The calculation of specific fees will happen during rulemaking and a fee proposal will be presented as part of the rules package. For the purpose of this fiscal note, a license fee is estimated at \$170 for the application and \$70 for renewals which is consistent with the independent clinical social worker fees. During the rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input. The department will monitor the fund balance and will adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

Section 15 identifies the compact shall come into effect on the date in which the compact statute is enacted into law in the seventh member state. Per the Social Work Licensure Compact website, Missouri is the only state this compact has been enacted and currently there are 20 states, including Washington, with legislation pending. Based on the Mental Health Counselor Compact, the Department of Health (department) assumes that the Social Work Licensure Compact will need two years to complete its rules and assumes it will take 12 months for program to adopt rules necessary to implement this bill therefore the department assumes revenue will be collected July 1 2027.

Washington Administration Code (WAC) 246-12-020 (3) states the initial credential will expire on the practitioner's birthday, except for faculty or postgraduate education credentials authorized by law. Initial credentials issued within ninety days of the practitioner's birthday do not expire until the practitioner's next birthday. Based on this WAC, the department assumes 179 first year applicants will need to renew their license in the first year as their birthday will fall outside of ninety days from issuance of initial credential. Ongoing renewals are based on the profession's current renewal rate of the previous year's applications and renewals. Based on the renewal rate of full



Ten-Year Analysis

Bill Number 1939 HB	Title Social work compact	Agency 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp> .

Narrative Explanation (Required for Indeterminate Cash Receipts)

<p>licensed independent clinical social workers the department assumes a 92% renewal rate.</p> <p>FY 2028 – \$145,000 (780 applications 179 renewals) FY 2029 – \$73,000 (133 applications 718 renewals) FY 2030 – \$79,000 (145 applications 782 renewals)</p>

Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 1/12/2024 8:14:00 am
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OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 1/12/2024 6:06:59 pm