Multiple Agency Fiscal Note Summary

Bill Number: 1934 HB	**Title:** AI task force

Estimated Cash Receipts

NONE

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
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Auditor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	1.2	451,000	451,000	451,000	2.6	1,070,000	1,070,000	1,070,000	.0	0	0	0
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Consolidated Technology Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Criminal Justice Training Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Superintendent of Public Instruction	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total $	1.2	451,000	451,000	451,000	2.6	1,070,000	1,070,000	1,070,000	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Office of State Auditor	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Consolidated Technology Services	.0	0	0	.0	0	0	.0	0	0
Criminal Justice Training Commission	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	.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: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Final 1/25/2024

Individual State Agency Fiscal Note

Bill Number:	1934 HB	Title:	AI task force	Agency:	075-Office of the Governor

Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:
NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☐ If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Michelle Rusk	Phone: 360-786-7153	Date: 01/02/2024
Agency Preparation:	Kathy Cody	Phone: (360) 480-7237	Date: 01/04/2024
Agency Approval:	Jamie Langford	Phone: (360) 870-7766	Date: 01/04/2024
OFM Review:	Val Terre	Phone: (360) 280-3973	Date: 01/08/2024

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.

Subject to appropriation, this bill creates a task force to assess current uses and trends to make recommendations to the legislature regarding standards for the use and regulation of generative AI systems. The Attorney General must appoint a member representing the Office of the Governor. The section creating the task force expires on June 30, 2027.

The Governor's Office assumes existing staff can participate in the task force and travel expenses associated with the task force will be minimal and can be absorbed within existing resources.

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:	1934 HB	**Title:**	AI task force	**Agency:**	095-Office of State Auditor

Part I: Estimates

☒   **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:
NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☐   If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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

☐   Capital budget impact, complete Part IV.

☐   Requires new rule making, complete Part V.

Legislative Contact:	Michelle Rusk	Phone: 360-786-7153	Date: 01/02/2024
Agency Preparation:	Charleen Patten	Phone: 564-999-0941	Date: 01/04/2024
Agency Approval:	Janel Roper	Phone: 564-999-0820	Date: 01/04/2024
OFM Review:	Amy Hatfield	Phone: (360) 280-7584	Date: 01/05/2024

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.

Section 2 (1) Establishes a task force responsible for assessing current uses and trends and also make recommendations to the legislature regarding standards for use and regulation of artificial intelligence.

Section 2 (2) Defines the members of the task force including one member representing the state auditor.

Section 2 (5) Directs the task force to first meet no later than December 31, 2024, and at least twice each year thereafter. An interim report is due to the governor and appropriate committees by December 1, 2025, with a final report due by June 1, 2027.

Based on the language in the bill, the SAO assumes the time and effort as a task force representative would be negligible and absorbed within existing resources.

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.

AI task force   095-Office of State Auditor
Form FN (Rev 1/00) 188,394.00   Request #   2024-003-1
FNS063 Individual State Agency Fiscal Note   3   Bill # 1934 HB

Individual State Agency Fiscal Note

Bill Number:	1934 HB	**Title:**	AI task force	**Agency:**	100-Office of Attorney General

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	2.5	1.2	2.6	0.0
Account					
General Fund-State 001-1	0	451,000	451,000	1,070,000	0
Total $	0	451,000	451,000	1,070,000	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:	Michelle Rusk	Phone: 360-786-7153	Date: 01/02/2024
Agency Preparation:	Dave Merchant	Phone: 360-753-1620	Date: 01/05/2024
Agency Approval:	Edd Giger	Phone: 360-586-2104	Date: 01/05/2024
OFM Review:	Val Terre	Phone: (360) 280-3973	Date: 01/10/2024

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.

Section 1: Findings and purpose.

Section 2: Subject to appropriations, task force created to assess uses of Artificial Intelligence (AI) and make recommendations to legislature for use and regulation of AI. Lists specific members to be appointed by Attorney General's Office (AGO), to include the following that may require Assistant Attorney General (AAG) time/input: governor's representative, AGO representative, WaTech representative, Office of Superintendent Public Instruction (OSPI) representative, Department of Commerce (Commerce) representative, Auditor representative, TechNet representative, statewide civil liberties org representative, two members from universities with expertise. Outlines meeting admin details. AGO will administer and staff the task force, to include hiring consultants, creating subcommittees, assume includes records management, but not clear. Task force duties include review of existing uses, known issues, legal protections; developing guiding principles, analyzing and reporting on numerous other specific issues. First meeting by December 31, 2024; interim report by December 1, 2025; final report by June 1, 2027. Admin/reimbursement details, including application of RCW 43.03.220. Expires 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.

Attorney General's Office (AGO) Administrative Division (ADM) 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

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2024 legislative session.

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

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL) and 0.35 MA.

1. Assumptions for the AGO Administrative Division's (ADM) Legal Services:

ADM assumes the enactment of this bill will require two FTE, a Senior Policy Analyst and a Policy Analyst along with additional funding for stipends and consultation. ADM assumes the Senior Policy Analyst and Policy Analyst will be required for; the appointment of members, outreach and engagement across the state to ensure inclusive and extensive participation, administration of taskforce, report research, recommendations research, writing of report, and facilitation.

Direct Funds (to begin January 1, 2025). Stipends for participation in task force meetings and subcommittee meetings

($12,800, assumes four taskforce meetings and four subcommittee meetings for approximately eight people each year, and Consultant for data analysis and advanced legal questions in the realm of AI ($128,000 – assumption consistent with previous similar work on other task forces.

Total King County workload impact:

FY 2025: $451,000 for 2.0 Policy Analysts FTE (PA), which includes direct costs of $70,400.
FY 2026: $535,000 for 2.0 PA, which includes direct costs of $140,800.
FY 2027: $535,000 for 2.0 PA, which includes direct costs of $140,800.

2. The AGO Civil Rights Division (CRD) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

3. The AGO Solicitor General Office Division (SGO) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

4. The AGO Government Compliance & Enforcement Division (GCE) has reviewed this bill and determined it will not increase or decrease the division's workload. GCE provides legal advice to the Office of the State Auditor (SAO). This bill would establish a task force to report on identified issues related to the use of Artificial Intelligence (AI) systems in state and local government and the private sector and its membership would include one member representing the SAO. Enactment of this bill will not generate or impact the provision of legal services to SAO because the issues the task force will address are general policy issues that are not related to any specific authorities or activities of the SAO.

GCE also provides enforcement support to the Criminal Justice Training Commission (CJTC), and legal advice to the Office of Equity (OOE) and Human Rights Commission (HUM). While the task force may address general policy issues related to law enforcement use of AI, racial equity, and civil rights, enactment of this bill will not generate or impact the provision of legal services to any of these clients because they are not identified members of the task force and the general policy issues are not related to any specific authorities or activities of CJTC, OOE or HUM. Therefore, no costs are included in this request.

5. The AGO Ethics Division (ETH) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

6. The AGO Information Services Division (ISD) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

7. The AGO Revenue and Finance Division (REV) has reviewed this bill and determined it will not increase or decrease the division's workload. The enactment of this bill will not impact the provision of legal services provided by the REV because none of its clients will be involved in this task force created by this bill. Additionally, the attorneys from the division were not listed as those that would be involved in section two. If any attorneys from REV are asked to participate, the costs will be minimal therefore, no costs are included in this request.

Part III: Expenditure Detail
III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	0	451,000	451,000	1,070,000	0
		Total $	0	451,000	451,000	1,070,000	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		2.5	1.2	2.6	
A-Salaries and Wages		267,000	267,000	552,000	
B-Employee Benefits		79,000	79,000	164,000	
C-Professional Service Contracts		70,000	70,000	282,000	
E-Goods and Other Services		34,000	34,000	70,000	
G-Travel		1,000	1,000	2,000	
J-Capital Outlays					
Total $	0	451,000	451,000	1,070,000	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 2024	FY 2025	2023-25	2025-27	2027-29
Management Analyst 5	95,184		0.5	0.2	0.6	
Policy Analyst - POL	110,000		2.0	1.0	2.0	
Total FTEs			2.5	1.2	2.6	0.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Headquarters Administration (POL) (POL)		451,000	451,000	1,070,000	
Total $		451,000	451,000	1,070,000	

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

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

AI task force
Form FN (Rev 1/00) 188,859.00
FNS063 Individual State Agency Fiscal Note   4

100-Office of Attorney General
Request # 014-1
Bill # 1934 HB

Individual State Agency Fiscal Note

Bill Number: 1934 HB	**Title:** AI task force	**Agency:** 103-Department of Commerce

Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:
NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☐ If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Michelle Rusk	Phone: 360-786-7153	Date: 01/02/2024
Agency Preparation:	Lawrence Banks	Phone: (360) 725-4139	Date: 01/10/2024
Agency Approval:	Tami Clark	Phone: 360-725-2935	Date: 01/10/2024
OFM Review:	Cheri Keller	Phone: (360) 584-2207	Date: 01/10/2024

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.

Section 2(2)(v) is a new section that is subject to appropriation, for the purpose of establishing an artificial intelligence systems task force that includes one member, appointed by the Attorney General, that represents the Department of Commerce.

Section 2(5) the task force must hold it first meeting by December 31, 2024, and meet at least twice a year thereafter. The task force must submit an interim report by December 1, 2025, and the final report by June 1, 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.

With regard to section 2, the Department assumes two hours per meeting, with a total of 6 hours for 3 meetings. The staffing costs would amount to less than $3,000 annually and could be absorbed within existing workloads and appropriation levels.

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:	1934 HB	Title:	AI task force	Agency:	163-Consolidated Technology Services

Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:
NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☐ If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Michelle Rusk	Phone: 360-786-7153	Date: 01/02/2024
Agency Preparation:	Nenita Ching	Phone: 360-407-8878	Date: 01/05/2024
Agency Approval:	Christina Winans	Phone: 360-407-8908	Date: 01/05/2024
OFM Review:	Val Terre	Phone: (360) 280-3973	Date: 01/08/2024

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.

The bill establishes a task force to assess current uses and trends and make recommendations to the legislature regarding standards for the use and regulation of generative artificial intelligence systems.

Sec. 1. Provides legislative findings.

Sec. 2. Specifies task force membership and participation requirements. Requires the office of the attorney general to provide staff support for the task force. Requires the task force to examine the development and use of generative artificial intelligence by private and public sector entities and make recommendations to the legislature regarding standards for the use and regulation of generative artificial intelligence systems to protect Washingtonians' safety, privacy, and civil and intellectual property rights. Provides that the task force must submit an interim report to the governor and the appropriate committees of the legislature detailing its findings and recommendations by December 1, 2025, and a final report by June 1, 2027. Provides definitions for "artificial intelligence," "generative artificial intelligence," and "machine learning."

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

None.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The bill will have impacts on Consolidated Technology Services (WaTech).

• Section 2 (2) (c) (iii) requires a WaTech representative to join the taskforce.
• Section 2 (2) (c) (xv) states that the task force must include three members representing state or national organization with data and privacy expertise. The State Chief Privacy Officer (CPO) position may be named to the taskforce.
• Section 2 (2) (e) states that the taskforce may engage non-members to serve on subcommittees as necessary. If the state CPO position is not a named taskforce member, it is possible that the position or Office of Privacy and Data Protection staff would serve on subcommittees to support task force work on privacy as described below.
• Section 2 (4) requires the task force to examine the development and use of generative AI by both private and public sector entities and make recommendations to the legislature regarding standards for the use and regulation of generative AI to protect Washingtonians' privacy. This work requires:
  o Section 2 (4)(b) A review of existing protections under state and federal law for individual data and privacy rights.
  o Section 2 (4)(i) Recommendations as to how the state should educate the public on the development and use of generative AI including information about data privacy, data security, and data collection and retention practices, and the use of individual data in machine learning.
  o Section 2 (4)(j) State regulatory structures for use of generative AI that requires the development and deployment of AI to protect data privacy and security.

There is no fiscal impact from this bill to WaTech. It is assumed WaTech can absorb the costs for this proposed bill in its base budget if the workload of other enacted legislation does not exceed current staffing levels. WaTech may also need contracted support for some of the work that may be required by OPDP, this work can also be absorbed within existing resources.

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.

AI task force   163-Consolidated Technology Services
Form FN (Rev 1/00) 188,802.00   Request #   1934 HB-1
FNS063 Individual State Agency Fiscal Note   3   Bill # 1934 HB

Individual State Agency Fiscal Note

Bill Number:	1934 HB	Title:	AI task force	Agency:	227-Criminal Justice Training Commission

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:	Michelle Rusk	Phone: 360-786-7153	Date: 01/02/2024
Agency Preparation:	Brian Elliott	Phone: 206-835-7337	Date: 01/03/2024
Agency Approval:	Brian Elliott	Phone: 206-835-7337	Date: 01/03/2024
OFM Review:	Cheri Keller	Phone: (360) 584-2207	Date: 01/04/2024

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.

The Washington Association of Sheriffs and Police Chiefs has no significant impact to be a member of the task force described in section 2.

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.

This bill has no cash receipt impact.

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.

This bill has no expenditure impact.

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: 1934 HB	**Title:** AI task force	**Agency:** 350-Superintendent of Public Instruction

Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:
NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☐ If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Michelle Rusk	Phone: 360-786-7153	Date: 01/02/2024
Agency Preparation:	Troy Klein	Phone: (360) 725-6294	Date: 01/25/2024
Agency Approval:	Amy Kollar	Phone: 360 725-6420	Date: 01/25/2024
OFM Review:	Brian Fechter	Phone: (360) 688-4225	Date: 01/25/2024

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.

Section 1is a findings and intent section.

Section 2 (1) Establishes a task force responsible for assessing current uses and trends and also make recommendations to the legislature regarding standards for use and regulation of artificial intelligence (AI).

Section 2 (2) Defines the members of the task force including one member from the Office of the Superintendent of Public Instruction (OSPI).

Section 2 (5) Directs the task force to first meet no later than December 31, 2024, and at least twice each year thereafter. An interim report is due to the governor and appropriate committees by December 1, 2025, with a final report due by June 1, 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.

No cash receipt impact to OSPI.

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.

OSPI expenditure impact:

Based on the language in the bill, OSPI assumes that the staff time needed as a task force representative would be negligible and absorbed within existing resources.

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.