

Multiple Agency Fiscal Note Summary

Bill Number: 5133 P 2S SB	Title: Responsible bidder criteria
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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 Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Administrative Hearings	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	.0	0	0	744,000	.0	0	0	0	.0	0	0	0
Department of Transportation	1.1	0	0	216,000	.9	0	0	158,000	.9	0	0	158,000
Total \$	1.1	0	0	960,000	0.9	0	0	158,000	0.9	0	0	158,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Office of Administrative Hearings	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.0	0	0	.0	0	0	.0	0	0
Department of Transportation	.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: Anna Minor, OFM	Phone: (360) 790-2951	Date Published: Final 1/23/2024
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Individual State Agency Fiscal Note

Revised

Bill Number: 5133 P 2S SB	Title: Responsible bidder criteria	Agency: 100-Office of Attorney General
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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: Shani Bauer	Phone: (360)786-7468	Date: 01/12/2024
Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 01/18/2024
Agency Approval: Joe Zawislak	Phone: 360-586-3003	Date: 01/18/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/19/2024

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 AGO Labor and Industries Division (LNI) has reviewed this bill and determined it will not increase or decrease the division's workload. The enactment of this bill will not impact LNI's provision of legal services to the Department of Labor and Industries (L&I) because this version of the legislation does not contemplate the Washington State Apprenticeship and Training Council conducting adjudicatory hearings about whether contractors are in compliance with apprenticeship utilization requirements, as was the case in prior proposed versions in Section (1)(f). LNI assumes that this legislation will not increase the division's workload in representing L&I. Therefore, no costs are included in this request.

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

Revised

Bill Number: 5133 P 2S SB	Title: Responsible bidder criteria	Agency: 110-Office of Administrative Hearings
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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: Shani Bauer	Phone: (360)786-7468	Date: 01/12/2024
Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 01/18/2024
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 01/18/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/19/2024

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.

No fiscal impact. This legislation will not measurably increase the appeal workload for the Office of Administrative Hearings.

OAH does not anticipate that the enactment of this law will create many more appeals. The impact is assumed nominal.

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: 5133 P 2S SB	Title: Responsible bidder criteria	Agency: 179-Department of Enterprise Services
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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: Shani Bauer	Phone: (360)786-7468	Date: 01/12/2024
Agency Preparation: Becky Guyer	Phone: (360) 407-9254	Date: 01/17/2024
Agency Approval: Jessica Goodwin	Phone: (360) 819-3719	Date: 01/17/2024
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/18/2024

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 is a new section that amends RCW 39.04.350 and 2023 c 88 s 1 modifying mandatory responsibility requirements

Section 1(d) is a new section that requires bidders to be listed as an active training agent in the Department of Labor and Industries (L&I) apprenticeship registration tracking system and attest that apprenticeship utilization requirements will be met for project work in apprentice-able occupations.

Section 1(g) is amended to modify public works and prevailing wage training requirements to require that at the time of bid submittal, the bidder or designated person(s), must have received training within the previous three years. This subsection also eliminates the exemption of this training requirement if the bidder has completed three or more public works projects previously and has a Washington state business license that has been valid for three or more years.

Section 1(2) is amended to require contracting agencies to verify that the responsible bidder criteria are met prior to awarding a contract.

This bill will require the Department of Enterprise Services (DES) to make revisions to instructions provided to bidders, bid forms, project manuals, supplemental bidder responsibility criteria, internal policy, as well as guidelines for bidder responsibility. This can be done through routine business processes; therefore, this bill has no fiscal impact to DES.

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: 5133 P 2S SB	Title: Responsible bidder criteria	Agency: 235-Department of Labor and Industries
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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
Account					
Public Works Administration Account-State 234-1	0	744,000	744,000	0	0
Total \$	0	744,000	744,000	0	0

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Shani Bauer	Phone: (360)786-7468	Date: 01/12/2024
Agency Preparation: Jenifer Colley	Phone: (360) 902-6983	Date: 01/17/2024
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 01/17/2024
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 01/18/2024

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 relates to modifying the responsible bidder criteria for public works projects, amending RCW 39.04.350 and 39.12.055.

Section 1

This bill amends the responsible bidder criteria (RCW 39.04.350) by requiring contractors to register as active training agents in the Labor and Industries' apprenticeship system if the project is subject to apprenticeship utilization requirements (AURs).

Contractors working on projects subject to AURs would also be required to:

- Attest to complying with AURs;
- Within the past three years have a designated person complete the public works training or public works or a public works project while maintaining responsible bidder status and;
- They have not received a violation pursuant to RCW 39.12.055, prohibiting them from bidding on future contracts.

This bill also requires L&I to develop and make available an AUR attestation document for contractors to complete and submit to awarding agencies. The bidder must submit this attestation to the contracting agency as part of their bid. The contracting agency must verify the bidder meets all responsible bidder criteria prior to awarding a contract.

The bill removes the exemption from the public works training requirement training for contractors who have worked on three or more public works projects.

Bidders on AUR projects (RCW 39.04.320) must submit a verifiable AUR plan if the bidder:

- Has two strikes within a five-year period, or
- Has monetary penalties for failing AURs, or
- Is habitual in utilizing the good faith effort exception process.

The verifiable AUR plan must include:

- The start date of the project;
- Expected apprentice hours by occupation and;
- The plan for recruiting apprentices.

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. There are no monetary penalties associated with enforcing the requirements of this bill.

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.

Appropriated – Operating Costs

This bill increases expenditures to the Public Works Administration Account, fund 234. The following assumptions were used to estimate the resources requested to implement this bill.

Information Technology

The expenditure calculations in this fiscal note include changes to the hourly rates for contract technology based on an annual analysis completed by L&I. These changes include rates based on expert skill level and an inflationary factor in all categories. All expenditures in this section are for the 2023-25 biennium.

Contract developers will need to modify the Apprenticeship Tracking System (ARTS) and the Prevailing Wage Intents and Affidavits Suite to implement the requirements of this bill.

A total of \$744,399 is needed in the 2023-25 biennium for all information technology changes. This includes:

- Contractor costs – \$683,399 is needed for 5,412 contractor hours
- QA – \$61,000

Rulemaking

Rulemaking will be completed virtually and can be completed within existing resources.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
234-1	Public Works Administration Account	State	0	744,000	744,000	0	0
Total \$			0	744,000	744,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts		744,000	744,000		
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	744,000	744,000	0	0

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.

This legislation would result in rule changes to:

- WAC 296-127

Individual State Agency Fiscal Note

Bill Number: 5133 P 2S SB	Title: Responsible bidder criteria	Agency: 405-Department of Transportation
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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	1.2	0.9	1.1	0.9	0.9
Account					
Motor Vehicle Account-State 108 -1	137,000	79,000	216,000	158,000	158,000
Total \$	137,000	79,000	216,000	158,000	158,000

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: Shani Bauer	Phone: (360)786-7468	Date: 01/12/2024
Agency Preparation: Jim Cuthbertson	Phone: 360-705-7825	Date: 01/23/2024
Agency Approval: Jon Deffenbacher	Phone: 360-7057829	Date: 01/23/2024
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 01/23/2024

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.

See attached WSDOT fiscal note.

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

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
108-1	Motor Vehicle Account	State	137,000	79,000	216,000	158,000	158,000
Total \$			137,000	79,000	216,000	158,000	158,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.2	0.9	1.1	0.9	0.9
A-Salaries and Wages	99,000	56,000	155,000	112,000	112,000
B-Employee Benefits	38,000	23,000	61,000	46,000	46,000
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	137,000	79,000	216,000	158,000	158,000

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
Contracts Specialist 1	62,570	0.6	0.5	0.6	0.5	0.5
Transportation Engineer 4	105,092	0.1	0.1	0.1	0.1	0.1
Transportation Technical Engineer	116,020	0.4	0.2	0.3	0.2	0.2
WMS4	145,734	0.1	0.1	0.1	0.1	0.1
Total FTEs		1.2	0.9	1.1	0.9	0.9

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.

The proposed bill's 39.04.350 RCW Section 1 modifies the responsible bidder criteria for public works projects. WAC 468-16 is specific to WSDOT for the prequalification of contractors for public works contracts. WSDOT currently has a three strikes rule to suspend a contractor's qualifications for not attaining apprenticeship requirements as part of the prime contractor's performance report process. The intersecting requirements of 39.04.350 RCW and WAC 468-16 are now in conflict and the potential conflicts in law need to be corrected.

Individual State Agency Fiscal Note

Bill Number: P2SSB 5133 Title: Responsible Bidder Criteria	Agency: 405-Department of Transportation
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Part I: Estimates

Check applicable boxes and follow corresponding instructions, use the fiscal template table provided to show fiscal impact by account, object, and program (if necessary), **add rows if needed**. If no fiscal impact, check the box below, skip fiscal template table, and go to Part II to explain briefly, why the program believes there will be no fiscal impact to the department.

- No Fiscal Impact (Explain in section II. A)
If a fiscal note is assigned to our agency, someone believes there might be, and we need to address that, showing why there is no impact to the department.
- Indeterminate Cash Receipts Impact (Explain in section II. B)
- Partially Indeterminate Cash Receipts Impact (Explain in section II. B)
- Indeterminate Expenditure Impact (Explain in section II. C)
- Partially Indeterminate Expenditure Impact (Explain in section II. C)

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

Dollars in Thousands

		2023-25 Biennium		2025-27 Biennium		2027-29 Biennium	
Expenditures		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
108-1-MOTOR VEHICLE		\$137	\$79	\$79	\$79	\$79	\$79
Total Expenditures		\$137	\$79	\$79	\$79	\$79	\$79
Biennial Totals		\$216		\$158		\$158	
FTEs	Salary	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Transportation Technical Engineer	\$116,020	0.4	0.2	0.2	0.2	0.2	0.2
Contracts Specialist 1	\$62,570	0.6	0.5	0.5	0.5	0.5	0.5
Transportation Engineer 4	\$105,092	0.1	0.1	0.1	0.1	0.1	0.1
WMS 4	\$145,734	0.1	0.1	0.1	0.1	0.1	0.1
Annual Average		1.1		0.9		0.9	
Objects of Expenditure		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A - SALARIES AND WAGES		\$99	\$56	\$56	\$56	\$56	\$56
B - EMPLOYEE BENEFITS		\$38	\$23	\$23	\$23	\$23	\$23

Agency Assumptions

N/A

Agency Contacts:

Preparer: Jim Cuthbertson	Phone: 360.870.1108	Date: 01/13/2024
Approval: Jon Deffenbacher	Phone: 253.820.3816	Date: 01/15/2024
Budget Manager: Doug Clouse	Phone: 360-705-7535	Date: 01/15/2024

Individual State Agency Fiscal Note

Part II: Narrative Explanation

II. A - Brief description of what the measure does that has fiscal impact

Briefly describe by section number (sections that will change WSDOT costs or revenue), the significant provisions of the bill, and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency. List the sections that have fiscal impact to WSDOT only. E.g., "Section 3 directs the Department to ..." No summarizing, no interpreting, and save any background context for the revenue and expenditure parts.

This bill adds four additional requirements modifying the responsible bidder criteria for public works projects and amends RCW 39.04.350.

The four key additions to bidder requirements in the bill are:

- 1) A bidder must be listed as an active training agent on the department of labor and industries' website.
- 2) A bidder must not have been found out of compliance by the Washington state apprenticeship and training council for not achieving mandatory apprenticeship utilization requirements for the one-year period immediately preceding the date of the bid solicitation.
- 3) At the time of bid submittal, the bidder must have a designated person or persons trained within the previous three years on the requirements of 39.04.350 RCW and 39.12 RCW. Bidders that have completed three or more public works projects and have had a valid business license in Washington for three or more years will no longer be exempt from the training requirement.
- 4) On projects subject to apprenticeship utilization requirements pursuant to RCW 39.04.320, if the bidder has a demonstrated history of being out of compliance with apprenticeship utilization requirements, or has a history of receiving monetary penalties for not achieving the apprentice utilization requirements pursuant to RCW 39.04.320, or is habitual in utilizing the good faith effort exception process, the bidder must submit a verifiable apprenticeship utilization plan for the awarding agency's review and acceptance prior to award of the public works project.

Within the bill, the Department of Labor and Industries is tasked with keeping records of contractors' compliance with the responsible bidder criteria in subsection (1) of 39.04.350 RCW and must make the records available on its website.

II. B – Cash Receipts Impact

Section-by-section, briefly describe and quantify the cash receipts impact of the legislation on WSDOT. Explain how you calculated the cash receipts and any assumptions. Show only revenues collected by WSDOT that are new to the state, not re-directed from another agency.

N/A

II. C - Expenditures

Section by section, citing only the sections that impact WSDOT, briefly describe the costs to WSDOT to implement this legislation (or savings resulting from this legislation), naming by section number the requirements of the legislation that result in the expenses or savings. Briefly describe the factual basis of the assumptions and the method by which the fiscal impact is derived. Explain how workload assumptions translate into cost estimates. Discern between one time and ongoing functions.

The additional four responsible bidder requirements added by the bill will have a long term ongoing fiscal impact for WSDOT. Staff in the Contract Ad and Award office will now be required to check the Department of Labor and Industries websites prior to issuing bid packages to a contractor. This is added work for WSDOT staff and an eligibility check that they do not currently perform. Prior to accepting bids, the websites will need to be rechecked to ensure that the bidder's status did not change from the time they were given a proposal package until the time when bids are received. For bidders who do not meet the eligibility criteria, bid rejections will need to be issued.

Individual State Agency Fiscal Note

A secondary effect of the legislation is that WSDOT will need to update and revise the Contract Ad and Award Manual, Prime Contractor Performance Report Manual, Construction Manual, and Standard Specifications to align with the proposed legislation. The policy and manual updates are a one-time expenditure and are not expected to be reoccurring.

One-Time Costs

These one-time costs are associated with policy changes and updates to agency manuals resulting from this legislation. The Contract Ad and Award Manual, Prime Contractor Performance Report Manual, Construction Manual, and Standard Specifications will all need to be revised. These added duties will require the following staff support:

<u>Classification</u>	<u>FTE</u>
Transportation Technical Engineer	0.2
Contracts Specialist 1	0.1
Transportation Engineer 4	0.1
WMS 4	<u>0.1</u>
Total FTE	0.5

Ongoing Costs

The second source of expenditure has to do with long-term checking of bidder qualifications and the handling of bid rejections due to the legislation. These costs are ongoing and are recurring

<u>Classification</u>	<u>FTE</u>
Transportation Technical Engineer	0.2
Contracts Specialist 1	<u>0.5</u>
Total FTE	0.7

Part III: Expenditure Detail

III. A - Expenditures by Object or Purpose

N/A

Part IV: Capital Budget Impact

There is no impact to Capital Budget anticipated.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

The proposed bill's 39.04.350 RCW Section 1 modifies the responsible bidder criteria for public works projects. WAC 468-16 is specific to WSDOT for the prequalification of contractors for public works contracts. WSDOT currently has a three strikes rule to suspend a contractor's qualifications for not attaining apprenticeship requirements as part of the prime contractor's performance report process. The intersecting requirements of 39.04.350 RCW and WAC 468-16 are now in conflict and the potential conflicts in law need to be corrected.