

Multiple Agency Fiscal Note Summary

Bill Number: 5838 2S SB	Title: AI task force
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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
Consolidated Technology Services	0	0	255,000	0	0	219,000	0	0	0
Total \$	0	0	255,000	0	0	219,000	0	0	0

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	1.7	659,000	659,000	659,000	1.3	528,000	528,000	528,000	.0	0	0	0
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Consolidated Technology Services	.6	0	0	255,000	.5	0	0	219,000	.0	0	0	0
Criminal Justice Training Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Superintendent of Public Instruction	Fiscal note not available											
Total \$	2.3	659,000	659,000	914,000	1.8	528,000	528,000	747,000	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	Fiscal note not available									
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: Preliminary 2/13/2024
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Individual State Agency Fiscal Note

Bill Number: 5838 2S SB	Title: AI task force	Agency: 075-Office of the Governor
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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: Sam Brown	Phone: 786-7470	Date: 02/06/2024
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/07/2024
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 02/07/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/08/2024

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 substitute bill now contains an emergency clause that will make it effective immediately. Changes made in the substitute bill do not change the Office's previous fiscal note assumptions:

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: 5838 2S SB	Title: AI task force	Agency: 095-Office of State Auditor
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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: Sam Brown	Phone: 786-7470	Date: 02/06/2024
Agency Preparation: Charleen Patten	Phone: 564-999-0941	Date: 02/08/2024
Agency Approval: Janel Roper	Phone: 564-999-0820	Date: 02/08/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/08/2024

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.

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

Section 2 (2) Defines the members of the task force including one member from the state auditor. Updated from a representative.

Section 2 (2) (e) Changes the responsibility from the office of the attorney general as in the prior version to the executive committee to convene subcommittees as needed to advise on recomendations and findings.

Section 2 (5) Directs the task force to first meet within 45 days of final appointments and at least twice each year thereafter. A preliminary report is due by December 31, 2024, an interim report by December 1, 2025, with a final report due by July1, 2026. The dates in the current version have been extended from the previous bill.

Based on the language in the bill, the SAO assumes the time and effort as a task force member 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.

Individual State Agency Fiscal Note

Bill Number: 5838 2S SB	Title: AI task force	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:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.7	2.6	1.7	1.3	0.0
Account					
General Fund-State 001-1	131,000	528,000	659,000	528,000	0
Total \$	131,000	528,000	659,000	528,000	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: Sam Brown	Phone: 786-7470	Date: 02/06/2024
Agency Preparation: Dave Merchant	Phone: 360-753-1620	Date: 02/09/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/09/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/12/2024

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.

Section 1 - New section. Findings and purpose.

Section 2 - New section. 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 and input: Governor's representative, AGO representative, Washington Technology Solutions (WaTech) representative, State Auditor's Office (SAO) representative, universities and research institutions representative with expertise, and law enforcement. Outlines meeting administrative details. AGO will administer and staff the task force, to include hiring consultants, creating subcommittees, and assume functions include records management. Task force duties include the review of existing uses, known issues, legal protections, developing guiding principles, analyzing and reporting on numerous other specific issues, and providing recommendations on specific issues. The first meeting is within 45 days of appointments. The Preliminary report is due December 31, 2024. The interim report is due December 1, 2025. The final report is due July 1, 2026. Administrative and reimbursement details, diversity and inclusions details, including application of RCW43.03.220. Definitions. Expires June 30, 2027.

Section 3: New Section - Immediate effect.

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.

General Fund-State (GF-S) Account 001-1: 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 has an emergency clause and is assumed to be effective immediately.

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 (PL1) and 0.4 MA.

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

During FY 2024, ADM assumes the enactment of this bill will require 0.5 FTE, a Policy Analyst (PA), along with additional funding for stipends and consultation. ADM assumes costs for the last quarter of FY 2024. During FY 2025 and FY 2026, ADM assumes 2.0 PA, along with additional funding for stipends and consultation with the final report due July 1, 2026.

ADM assumes the PA will be required for the appointment of members, outreach and engagement across the state to ensure inclusive and extensive participation, administration of the taskforce, report research, recommendations research, writing of the reports, and facilitation.

During FY 2025 and FY 2026, ADM estimates that stipends for participation in task force meetings and subcommittee meetings. \$8,000 is assumed for eight subcommittee meetings for approximately eight people each year, and \$128,000 for a consultant for data analysis and advanced legal questions in the realm of artificial intelligence (AI) (assumption is consistent with previous similar work on other task forces).

Total King County workload impact:

FY 2024: \$131,000 for 0.5 PA, which includes direct costs of \$35,200

FY 2025 and FY 2026: \$528,000 for 2.0 PA, which includes direct costs of \$136,000

2. The AGO Civil Rights Division (CRD) has reviewed this bill and determined it will not increase or decrease the division's workload in representing the Human Rights Commission (HUM) or the Attorney General's Office (AGO). The enactment of this bill will not impact the provision of legal services to HUM because the bill imposes no new requirements on HUM. Also, the enactment of this bill will not impact CRD's provision of legal services to the AGO because the bill assigns no required civil rights enforcement duties to the AGO. 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.

5. 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.

6. 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 to the Department of Revenue (DOR) because that agency is not impacted by this bill. Additionally, this bill does not appear to require work from any of REV's clients. If REV is asked to participate in the taskforce, costs will be minimal. Such participation appears unlikely under this bill. Therefore, costs are not included in this request.

7. The AGO Transportation and Public Construction (TPC) has reviewed this bill and determined it will not increase or decrease the division's workload in representing Washington Technology Solutions (WaTech). The enactment of this bill will not impact the provision of legal services to WaTech because the agency's role in Section 2 is limited to appointing one member to a task force to assess artificial intelligence (AI) systems. It is expected that little or no legal services will be provided to WaTech under this bill. Therefore, no costs are included in this request.

8. The AGO Ethics Division (ETH) has reviewed this bill and determined it will not increase or decrease the division's workload. Enactment of this bill will not impact the work of the Executive Ethics Board (EEB) as it does not pertain to the Ethics in Public Service Act (EPSA) or any duties of the EEB. 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	131,000	528,000	659,000	528,000	0
Total \$			131,000	528,000	659,000	528,000	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.7	2.6	1.7	1.3	
A-Salaries and Wages	69,000	275,000	344,000	275,000	
B-Employee Benefits	20,000	81,000	101,000	81,000	
C-Professional Service Contracts	33,000	128,000	161,000	128,000	
E-Goods and Other Services	9,000	43,000	52,000	43,000	
G-Travel		1,000	1,000	1,000	
Total \$	131,000	528,000	659,000	528,000	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	0.2	0.6	0.4	0.3	
Policy Analyst - ADM	110,000	0.5	2.0	1.3	1.0	
Total FTEs		0.7	2.6	1.7	1.3	0.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Headquarters Administration (ADM)	131,000	528,000	659,000	528,000	
Total \$	131,000	528,000	659,000	528,000	

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.

Individual State Agency Fiscal Note

Bill Number: 5838 2S SB	Title: AI task force	Agency: 103-Department of Commerce
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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: Sam Brown	Phone: 786-7470	Date: 02/06/2024
Agency Preparation: Lawrence Banks	Phone: (360) 725-4139	Date: 02/09/2024
Agency Approval: Tami Clark	Phone: 360-725-2935	Date: 02/09/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/09/2024

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.

Differences between 2S SB 5838 and the SSB bill:

Section 2(2) added four additional members to the executive committee of the task force.

Section 2(2)(e) changes the attorney general office convening the subcommittees, to the executive committee convening subcommittees that advise the task force.

Section 2(2)(iii) changes from being invited, to must be appointed to be a member on a subcommittee.

Section 2(4) adds subcommittees will also examine the development and use of artificial intelligence by private and public sector entities and make guideline recommendations to the legislature.

Section 2(5) changed the due dates; for the interim report from July 1, 2025, to December 1, 2025, and for the final report from November 1, 2025, to July 1, 2026.

Summary of 2SSB 5838:

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.

Section 2(2)(e) defines the members of the subcommittees the executive committee convenes to advise the task force.

Section 2(5) the task force must hold its first meeting within 45 days of final appointments to task force and meet at least twice a year thereafter. The task force must submit preliminary report by December 31, 2024, an interim report by December 1, 2025, and the final report by July 1, 2026.

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, if a member of the department were to serve on a subcommittee, 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: 5838 2S SB	Title: AI task force	Agency: 163-Consolidated Technology Services
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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
Consolidated Technology Services	36,000	219,000	255,000	219,000	
Revolving Account-State 458-1					
Total \$	36,000	219,000	255,000	219,000	

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	1.0	0.6	0.5	0.0
Account					
Consolidated Technology Services	36,000	219,000	255,000	219,000	0
Revolving Account-State 458-1					
Total \$	36,000	219,000	255,000	219,000	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: Sam Brown	Phone: 786-7470	Date: 02/06/2024
Agency Preparation: Nenita Ching	Phone: 360-407-8878	Date: 02/09/2024
Agency Approval: Christina Winans	Phone: 360-407-8908	Date: 02/09/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/13/2024

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 second substitute bill modifies the artificial intelligence task force membership structure by establishing a 13-member, rather than 9-member, executive committee. It expands the authority of the executive committee, rather than the attorney general, to include convening subcommittees. It also requires the office of the attorney general to consult with the office of the chief information officer on the staffing and administration of the task force and modifies reporting deadlines.

Sec. 2. Specifies the attorney general shall only appoint members with experience in technology policy.

Expands executive committee membership of the task force from 9 to 13 specified members.

Expands the authority of the task force to include convening subcommittees and defining the scope of the activity and subject matter focus required of the subcommittees.

Requires the attorney general to consult with the office of the chief information officer on the staffing and administration of the task force.

Changes the interim report deadline from July 1, 2025, to December 1, 2025.

Changes the final report deadline from November 1, 2025, to July 1, 2026.

The substitute bill, SSB 5838, modifies the artificial intelligence task force membership structure by establishing a 9-member executive committee and authorizing the attorney general to convene subcommittees to advise the task force. It requires the task force to examine artificial intelligence rather than generative artificial intelligence and modifies meeting and reporting requirements.

Sec. 1. Provides legislative findings.

Sec. 2. Specifies task force membership requirements, including a 9-member executive committee and subcommittee. Requires the office of the attorney general to provide staff support for the task force. Requires the executive committee of the task force to examine the development and use of artificial intelligence by private and public sector entities and make recommendations to the legislature regarding standards for the use and regulation of artificial intelligence systems to protect Washingtonians' safety, privacy, and civil and intellectual property rights. Requires the executive committee of the task force to hold its first meeting within 45 days of final appointments to the task force. Requires a preliminary report to be delivered by December 31, 2024, an interim report by July 1, 2025, and a final report by November 1, 2025.

Sec. 3. Declares the act take effect immediately.

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 Architecture & Innovation Division (AID) is funded by an appropriation from the Consolidated Technology Services (WaTech) Revolving Account (458-1). Revenues for AID are collected from state agencies who receive allocations through the central services model. It is assumed that the allocations in the central services model will be adjusted by the Legislature to ensure WaTech revenues are sufficient to support the required expenditures.

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.

5838 2SSB:

The second substitute bill will have workload impact on WaTech.

WaTech assumes that if subcommittees are convened for consumer protection and privacy or state security and cyber security under Section 2(e)(i), the Office of Privacy and Data Protection (OPDP) and the Office of Cybersecurity (OCS) will be appointed to the subcommittees. It is assumed WaTech can absorb the costs for this requirement in its base budget if the workload of other enacted legislation does not exceed current staffing levels.

Section 2(3) also requires WaTech (along with the Attorney General Office (AGO)) to provide administrative support to the task force. Given the amount of work and coordination that will be required by the bill with WaTech engagement and support, there will be significant operational impact to the governance team. This will require a Management Analyst 5 (1.0 FTE) to provide the support and coordination with the Attorney General’s Office and among WaTech teams including OPDP, OCS, and Architecture & Innovation Division (AID). Annual expenses are \$219,000 for salaries, benefits, training, and agency support.

WaTech assumes that any reimbursements for committee members (if any) and consultant costs will be the responsibility of AGO.

5838 SSB:

The bill will have impacts on WaTech. Section 2 (2) (c) (iii) requires a WaTech representative to join the taskforce. It is also anticipated that the Office of Privacy and Data Protection (OPDP) will provide subject matter expertise on privacy issues to subcommittees and may be engaged in subcommittee and task force work which may include drafting information for the reports as required in the bill.

There is no fiscal impact 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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
458-1	Consolidated Technology Services Revolving Account	State	36,000	219,000	255,000	219,000	0
Total \$			36,000	219,000	255,000	219,000	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	1.0	0.6	0.5	
A-Salaries and Wages	16,000	98,000	114,000	98,000	
B-Employee Benefits	6,000	36,000	42,000	36,000	
C-Professional Service Contracts					
E-Goods and Other Services		3,000	3,000	3,000	
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	14,000	82,000	96,000	82,000	
9-					
Total \$	36,000	219,000	255,000	219,000	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	97,596	0.2	1.0	0.6	0.5	
Total FTEs		0.2	1.0	0.6	0.5	0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 5838 2S SB	Title: AI task force	Agency: 227-Criminal Justice Training Commission
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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: Sam Brown	Phone: 786-7470	Date: 02/06/2024
Agency Preparation: Brian Elliott	Phone: 206-835-7337	Date: 02/06/2024
Agency Approval: Brian Elliott	Phone: 206-835-7337	Date: 02/06/2024
OFM Review: Danya Clevenger	Phone: (360) 688-6413	Date: 02/06/2024

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 has no fiscal impact on the Criminal Justice Training Commission.

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.