
HOUSE BILL 1172

State of Washington

68th Legislature

2023 Regular Session

By Representatives McEntire, Jacobsen, and Walsh

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1 AN ACT Relating to incorporating working families fiscal impacts
2 in fiscal notes; amending RCW 43.88A.010; and adding a new section to
3 chapter 43.88A RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 43.88A.010 and 1977 ex.s. c 25 s 1 are each amended
6 to read as follows:

7 (1) The legislature hereby recognizes the necessity of developing
8 a uniform and coordinated procedure for determining the expected
9 fiscal impact of bills and resolutions on state government. The
10 legislature also recognizes that developing such statements of fiscal
11 impact, which shall be known as fiscal notes, requires the
12 designation of a state agency to be principally responsible therefor.

13 (2) The legislature also recognizes the value of considering the
14 impact of bills and resolutions on working families. A working
15 families fiscal impact statement must be included in fiscal notes
16 when required under section 2 of this act.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.88A
18 RCW to read as follows:

19 (1)(a) For purposes of this chapter, a working families fiscal
20 impact statement is: (i) A written supplemental statement in a fiscal

1 note that includes an estimate of the impact that proposed
2 legislation has on a working family; and (ii) contained only in the
3 narrative explanation of the fiscal note and not reflected in the
4 fiscal impact calculation required by RCW 43.88A.020.

5 (b) "Working families" are households that have a total annual
6 income of \$150,000 or less per year. The office of financial
7 management must adjust this amount for inflation according to the
8 implicit price deflator at least every five years. The working
9 families fiscal impact is the annual total of applicable costs or
10 savings to working families, as determined according to the
11 methodology established in subsection (2) of this section, divided by
12 the estimated number of working families in this state.

13 (c) A working families fiscal impact statement must include a
14 narrative and data to explain the assumptions that were used in
15 computing the working families fiscal impact statement.

16 (d)(i) For fiscal notes prepared for the 2024 legislative
17 session, working families fiscal impact statements must analyze how
18 the fiscal impact calculation for revenue and fee provisions in the
19 proposed legislation impact working families.

20 (ii) For fiscal notes prepared for the 2025 session and
21 thereafter, working families fiscal impact statements must also
22 include the estimated impacts on working families from proposed
23 legislation estimated to affect prices charged to consumers by
24 businesses because of revenue and fee provisions that affect
25 businesses or because of the regulatory effects of the legislation on
26 business or labor.

27 (2) By September 1, 2023, the office of financial management, in
28 consultation with the economic and revenue forecast council, the
29 department of revenue, and the caseload forecast council, must
30 establish the process and methodology for working family impact
31 statements under subsection (1)(d)(i) of this section. By September
32 1, 2024, the office of financial management, in consultation with the
33 economic and revenue forecast council, the department of revenue, and
34 the caseload forecast council, must establish the process and
35 methodology for working family impact statements to add impacts under
36 subsection (1)(d)(ii) of this section. The methodology must address
37 impacts on working families including, but not limited to, state
38 taxes and other government-established charges, such as utility fees,
39 industrial insurance, and other payroll withholding, and user fees.

1 (3) A fiscal note is not required to include a working families
2 fiscal impact statement unless: (a) The fiscal note reflects a total
3 positive or negative state revenue impact of more than \$10,000,000
4 per fiscal year; or (b) the proposed legislation is broad-based
5 business or labor regulatory legislation likely to exceed \$10,000,000
6 per year in impact on business.

7 (4) Working family fiscal impact statements are not required to
8 be updated when a bill or resolution is substantively amended and
9 there is insufficient time to revise the working families fiscal
10 impact estimate without delaying the new fiscal note on the amended
11 legislation. If the office of financial management determines that a
12 substantive amendment to a bill or resolution would likely affect the
13 working families fiscal impact statement and there is insufficient
14 time to revise the estimate, the working families fiscal impact
15 statement must be removed from any fiscal note that reflects the
16 amendment.

17 (5) The office of financial management must develop an electronic
18 means for persons to identify all fiscal notes that have working
19 family fiscal impact statements and provide an electronic link to
20 those fiscal notes. Beginning in 2025, the office of financial
21 management will enable persons to identify and access working family
22 fiscal impact statements from previous years.

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