Judicial Impact Fiscal Note

| Bill Number: 1519 HB | Title: | Employee status enforcement | Agency: | 055-Admin Office of the Courts |
|----------------------|--------|-----------------------------|---------|--------------------------------|
|----------------------|--------|-----------------------------|---------|--------------------------------|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

| Account | FY 2016 | FY 2017 | 2015-17 | 2017-19 | 2019-21 |
|----------|---------|---------|---------|---------|---------|
| Counties | | | | | |
| Cities | | | | | |
| Total \$ | | | | | |

Estimated Expenditures from:

| COUNTY | FY 2016 | FY 2017 | 2015-17 | 2017-19 | 2019-21 |
|---------------------------------|---------|---------|---------|---------|---------|
| County FTE Staff Years | | | | | |
| Account | | | | | |
| Local - Counties | | | | | |
| Counties Subtotal \$ | | | | | |
| CITY | FY 2016 | FY 2017 | 2015-17 | 2017-19 | 2019-21 |
| City FTE Staff Years | | | | | |
| Account | | | | | |
| Local - Cities | | | | | |
| Cities Subtotal \$ | | | | | |
| Local Subtotal \$ | | | | | |
| Total Estimated Expenditures \$ | | | | | |

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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 1)

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.

| Legislative Contact Joan Elgee | Phone: 360-786-7106 | Date: 01/25/2015 |
|---------------------------------|---------------------|------------------|
| Agency Preparation: Kitty Hjelm | Phone: 360-704-5528 | Date: 01/26/2015 |
| Agency Approval: Ramsey Radwan | Phone: 360-357-2406 | Date: 01/26/2015 |
| OFM Review: | Phone: | Date: |

Part II: Narrative Explanation

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

This bill would create the Employee Fair Classification Act. It would allow the Washington Department of Labor and Industries to investigate violations of the provisions of this act, and set civil penalties for violations.

Section 5 provides that an employer may not willfully misclassify an employee as an independent contractor .

Section 7 provides that an individual aggrieved by a violation of section 5 may file a civil action on his or her behalf or on behalf of any other individual similarly situated.

II. B - Cash Receipts Impact

II. C - Expenditures

Civil cases would likely be filed in the superior court because of the potential amount of damages. Additional case filings would have an impact on judicial workload. It is not known how many cases might be filed each year. However, it is assumed that the fiscal impact will be greater than zero but less than \$50,000 per year.

The \$50,000 expenditure level represents approximately 84 hours (0.07 FTE) of superior court judicial officer time annually cumulative for all superior courts in the state with associated support staff and operational costs. It is assumed that this bill would require less than 84 hours of judicial officer time statewide on an annual basis.

For illustrative purposes, up to 35 civil cases per year could be filed before the workload impact would exceed the \$50,000 estimate.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

| State | FY 2016 | FY 2017 | 2015-17 | 2017-19 | 2019-21 |
|------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | | | | |
| | | | | | |
| Salaries and Wages | | | | | |
| Employee Benefits | | | | | |
| Professional Service Contracts | | | | | |
| Goods and Other Services | | | | | |
| Travel | | | | | |
| Capital Outlays | | | | | |
| Inter Agency/Fund Transfers | | | | | |
| Grants, Benefits & Client Services | | | | | |
| Debt Service | | | | | |
| Interagency Reimbursements | | | | | |
| Intra-Agency Reimbursements | | | | | |
| Total \$ | | | | | |

III. B - Expenditure By Object or Purpose (County)

| <u>County</u> | FY 2016 | FY 2017 | 2015-17 | 2017-19 | 2019-21 |
|-----------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | | | | |
| Salaries and Benefits | | | | | |
| Capital | | | | | |
| Other | | | | | |
| | | | | | |
| Total \$ | | | | | |

III. C - Expenditure By Object or Purpose (City)

| <u>City</u> | FY 2016 | FY 2017 | 2015-17 | 2017-19 | 2019-21 |
|-----------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | | | | |
| Salaries and Benefits | | | | | |
| Capital | | | | | |
| Other | | | | | |
| | | | | | |
| Total \$ | | | | | |

Part IV: Capital Budget Impact