

Multiple Agency Fiscal Note Summary

Bill Number: 6210 S SB	Title: Better life experience prog.
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Estimated Cash Receipts

Agency Name	2015-17		2017-19		2019-21	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Department of Commerce	0	0	0	400,000	0	1,840,000
State Investment Board	0	205,000	0	184,000	0	184,000
Total \$	0	205,000	0	584,000	0	2,024,000

Estimated Expenditures

Agency Name	2015-17			2017-19			2019-21		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	1.5	572,274	572,274	3.8	1,355,442	1,755,442	3.8	267,721	2,054,456
State Investment Board	.3	0	205,000	.5	0	184,000	.5	0	184,000
Total	1.8	\$572,274	\$777,274	4.3	\$1,355,442	\$1,939,442	4.3	\$267,721	\$2,238,456

Estimated Capital Budget Impact

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). A fiscal analysis was prepared to show the projected ten-year cost to tax or fee payers of the proposed taxes or fees. The ten-year projection can be viewed at

<http://www.ofm.wa.gov/tax/default.asp>

Prepared by: Shane Hamlin, OFM	Phone: (360) 902-0547	Date Published: Final 1/28/2016
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 43151

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 6210 S SB	Title: Better life experience prog.	Agency: 090-Office of State Treasurer
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). A fiscal analysis was prepared to show the projected ten-year cost to tax or fee payers of the proposed taxes or fees. The ten-year projection can be viewed at

<http://www.ofm.wa.gov/tax/default.asp>

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:	Phone:	Date: 01/26/2016
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 01/26/2016
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 01/26/2016
OFM Review: Gwen Stamey	Phone: (360) 902-9810	Date: 01/27/2016

Part II: Narrative Explanation

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

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

SSB 6210 creates the Washington achieving a better life experience program account and allows the account to retain its earnings from investments.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Projected cash flows are currently unavailable, therefore, estimated earnings from investments are indeterminable. Earnings for an account are a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period under review. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursements, and transfers can have different average daily balances, and hence different earnings.

For illustrative purposes, assume based on the November 2015 revenue forecast that approximately \$3,500 in FY 16, \$6,800 in FY 17, \$20,000 in FY 18, and \$30,000 in FY 19 in net earnings would be gained or lost annually for every \$1 million shift in average daily cash balances.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

Part IV: Capital Budget Impact

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.

Individual State Agency Fiscal Note

Bill Number: 6210 S SB	Title: Better life experience prog.	Agency: 103-Department of Commerce
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Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2016	FY 2017	2015-17	2017-19	2019-21
Achieving a Better Life Experience-Non-Appropriated New-6				400,000	1,840,000
Total \$				400,000	1,840,000

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.0	3.1	1.5	3.8	3.8
Account					
General Fund-State 001-1	0	572,274	572,274	1,355,442	267,721
Achieving a Better Life Experience-Non-Appropriated New-6	0	0	0	400,000	1,786,735
Total \$	0	572,274	572,274	1,755,442	2,054,456

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). A fiscal analysis was prepared to show the projected ten-year cost to tax or fee payers of the proposed taxes or fees. The ten-year projection can be viewed at

<http://www.ofm.wa.gov/tax/default.asp>

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:	Phone:	Date: 01/26/2016
Agency Preparation: Bill Cole	Phone: 360 586-4125	Date: 01/27/2016
Agency Approval: Martin McMurry	Phone: 360-725-2710	Date: 01/27/2016
OFM Review: Shane Hamlin	Phone: (360) 902-0547	Date: 01/27/2016

Part II: Narrative Explanation

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

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Differences between the substitute bill and the original bill:

Section 1(1) changes the definition of “Eligible individual” to mean an individual eligible pursuant to section 529A of the federal internal revenue code of 1986.

Section 1(3) clarifies that money in accounts established by or for and eligible individual shall not be counted as assets for the purposes of state or local means tested program eligibility.

Section 3(2)(a) adds the following statement at the end: Any self-directed investment options provided must comply with section 529A of the federal internal revenue code of 1986, as amended.

Section 3(2)(c) breaks out the following statement into two subsections: (i): The governing board shall keep or cause to be kept full and adequate accounts and records of each eligible individual Washington achieving a better life experience program account; and (ii): The governing board shall account for and report on the investment of self-directed assets or may enter into an agreement with the state investment board for such accounting and reporting under this chapter.

Section 3(2)(d)(i) is removed which stated Nothing in this section limits the authority of the state investment board to conduct its responsibilities for asset management and balancing of the deferred compensation funds.

Section 4 adds the following to the first sentence, “in the best interest of eligible individuals”.

Section 4(5) adds language that allows the board members to participate in meetings remotely.

A new subsection is added in Section 4 which allows the board to appointment advisory committees to support the design or administration of the Washington ABLE program. Terms must be staggered and they will be reimbursed for travel expenses.

Adds Section 4(7) which provides the board the authority to execute interagency agreements that authorize other state agencies such as the committee on advance tuition payment established in RCW 28B.95.020 to perform administrative function necessary to carry out the Washington ABLE program.

A new statement is added to Section 5(2) which provides the governing board authority to establish a reasonable fee structure for Washington ABLE program account holders.

Summary of the Substitute Bill:

Section 3 requires the Washington ABLE Program Governing Board to consult with the State Investment Board (SIB) to determine the appropriateness of having the Investment Board invest the monies contributed to any self-directed ABLE accounts. The Boards will work together to provide a set of options for eligible individuals to choose from and agree on an expense schedule to cover investment and operating costs of the Investment Board.

The ABLE Governing Board is required to keep full and adequate accounts and records for each self-directed ABLE account. The Governing Board has the authority to establish all policies related to the accounts. The Governing Board and Investment Board will routinely consult and communicate on investment policies, account earnings, and other related needs of the program.

Section 4 establishes the ABLE program and ABLE Governing Board within the Department of Commerce. The Governing Board is authorized to design and administer the ABLE savings program. The department is required to provide staff and administrative support to the Governing Board and to consult with the Board regarding staffing and administrative support. The Governing Board must be colocated with the Developmental Disabilities Endowment Governing Board. The Governing Board consists of seven members, must be compensated for their services, and shall meet periodically.

Section 5 authorizes the Governing Board to design, administer, manage, promote, and market the ABLE savings program and to contract with other organizations to fulfill these duties. The Governing Board is authorized to formulate and adopt any policies and rules necessary to implement and operate the program and provides the governing board authority to establish a reasonable fee structure for Washington ABLE program account holders.

Section 6 requires the Governing Board to implement the program by July 1, 2017, and to submit semiannual reports to the legislature describing the progress towards program implementation and any recommendations for legislative changes through July 1, 2018.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Sections 3 through 6

ASSUMPTIONS: The department assumes that there are an estimated 35,000 to 50,000 disabled people in the state who have sufficient resources available to make it more feasible for them to participate in the ABLE program. Based on the participation in similar long term investment opportunities for education savings (five percent of eligible population after startup period), the department estimates 1,000 new enrollments each fiscal year in FY18-21, reaching a level of 4,000 active accounts by FY22. The Washington state Developmental Disability Endowment Trust Fund (DDETf), which is not available to persons who are not developmentally disabled had 2,184 active accounts as of December 1, 2015.

The department expects that the methodology for recovering the cost of these functions for ABLE Savings accounts will be similar to those of the DDETf. The fees charged to clients who enroll in the DDETf fund include a charge for establishing a new account, a charge for preparing tax information for the clients and the State Investment Board, and a management fee for processing contributions, maintaining accurate account records, and disbursing approved payments from the accounts. Subsection 5(2) authorizes the ABLE Governing Board to establish a reasonable fee structure for Washington ABLE program account holders.

An annual management fee would be charged to each account. The management fee would be two percent of the account balance at the end of each fiscal year for starting in FY18. This annual management fee would be a minimum of \$75.00 fee and maximum of \$750.00 fee per account. Fees are intended to cover the actual cost of administering the program. Estimates of cash receipts starting in FY18 with 1,000 participants and contributing an average of \$4,000 each year up to FY21 with 4,000 participants contributing up to the maximum amount of \$14,000 are presented in an attached table and below. Fees would be \$80 per enrollment in FY18 and capped at \$280 per enrollment by FY21.

FY18: \$80,000
FY19: \$320,000
FY20: \$720,000
FY21: \$1,120,000

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Sections 3 through 6

ASSUMPTIONS: Since the ABLE Governing Board is required to be co-located with the DDETF program, the department assumes the ABLE program will modeled similarly. This would include staff that would design, administer, manage, promote and market the program as well as a contractor that will work directly with individuals and families to set up accounts and receive and disburse funds, including verification of eligible costs.

Although the level of participation is indeterminate, for the purposes of illustrating the potential expenses of the program, the department is assuming 1,000 new accounts in each fiscal year between FY18-21, reaching a level of 4,000 active accounts at the beginning of FY21. For the purpose of this fiscal note we used DDETF maximum amount of contributions per fiscal year of up to \$14,000 per account.

Subsection 3(1)(b) requires that all investment and operating costs of the State Investment Board associated with making self-directed investments must be paid by eligible individuals and recovered under procedures agreed to by the Governing Board and the Investment Board. Also, all other operating expenses associated with the self-directed investments must be paid by the eligible individuals.

FTE Salaries and Benefits:

The department estimates 1.0 FTE Commerce Specialist 5 in FY17-21 to administer the program at the direction of the Governing Board, coordinate the adoption of rules, produce three reports to the Legislature within the first year, and to coordinate between the Board, the State Investment Board, and the department during the implementation of the program; the department estimates 1.0 FTE Commerce Specialist 3 , 0.5 FTE Commerce Specialist 2 and 0.3 FTE Administrative Assistant 2 in FY17, and 1.0 FTE Commerce Specialist 3 , 1.0 FTE Commerce Specialist 2 and 0.5 FTE Administrative Assistant 2 in FY18-FY21 to provide administrative and meeting support to the Governing Board, , and to perform outreach and marketing for the savings program.

FY17: \$253,932
FY18-FY21: \$305,676 each fiscal year

Professional Service Contracts:

ASSUMPTION: The department estimates \$150,000 for fiscal year FY17 and an estimated \$300,000 each fiscal year in FY18-21 for a contract with a financial services organization to work directly with individuals and families to set up accounts, receive and disburse funds, including the verification of eligible costs to be reimbursed from the savings accounts.

The department also assumes the ABLE program will be similar to that of the DDETF program as the liaison

with the State Investment Board on the annual preparation and submission of tax records for each account (primarily Form 1099 for the IRS and the client). This is based on a \$75 fee on each enrollment. Total cost of both contracts are noted below.

FY17: \$150,000

FY18: \$375,000

FY19: \$450,000

FY20: \$525,000

FY21: \$600,000

Goods and Other Services (G&S)

FY17: \$146,329

--standard G&S: \$91,063

--space and utilities: \$20,266

--nonstandard goods and services: \$10,000 for attorney general and \$25,000 for development, production, and distribution of program marketing material

FY18–FY21: \$145,034

--standard G&S: \$109,701

--space and utilities: \$25,333

--nonstandard goods and services: \$10,000 for production and distribution of program marketing material

Note: Standard goods and services costs include supplies and materials, employee development and training, mandatory state seat of government and Department of Enterprise Services charges, and Commerce agency administration. Commerce administration provides general governmental services including, but not limited to: administration, management, financial services, human resources, information technology, facilities management, public affairs and Interagency Payments. The department is in the process of seeking federal approval for a revised indirect rate for the cost allocation of administrative costs. If approved, the department intends to use the same rates and basis for allocating administrative costs for state grant programs. The cost estimate in this fiscal note represents the currently approved indirect rate and is subject to change.

Travel:

ASSUMPTIONS: The department assumes eight meetings of the Governing Board to design and implement the savings program or among the Investment Board, the Governing Board, and the department in FY18 to establish Investment Board options for disabled individuals. The department assumes four Governing Board meetings in FY19-21. The department assumes staff travel throughout the state in FY18-21 to market the savings program.

FY17: \$7,013 for board meetings

FY18-21: \$12,011 for board meetings and program marketing

Capital Outlays and Equipment:

The department estimates three standard workstations (including computers and monitors) in FY17 (\$15,000), an additional standard workstation in FY18, and the routine replacement of computers (\$2,724) and monitors (\$1,290) in FY21.

FY17: \$15,000

FY18: \$5,000

FY21: \$4,014

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Summary of Estimated Costs:

FY17: \$572,274

FY18: \$842,721

FY19: \$912,721

FY20: \$987,721

FY21: \$1,066,735

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years		3.1	1.5	3.8	3.8
A-Salaries and Wages		187,454	187,454	448,876	448,876
B-Employee Benefits		66,478	66,478	162,476	162,476
C-Professional Service Contracts		150,000	150,000	825,000	1,125,000
E-Goods and Other Services		146,329	146,329	290,068	290,068
G-Travel		7,013	7,013	24,022	24,022
J-Capital Outlays		15,000	15,000	5,000	4,014
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$572,274	\$572,274	\$1,755,442	\$2,054,456

III. B - 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 2016	FY 2017	2015-17	2017-19	2019-21
Administrative Assistant 2	38,541		0.3	0.2	0.5	0.5
Administrative Services - Indirect	69,552		0.3	0.1	0.3	0.3
Commerce Specialist 2	58,551		0.5	0.3	1.0	1.0
Commerce Specialist 3	67,884		1.0	0.5	1.0	1.0
Commerce Specialist 5	78,732		1.0	0.5	1.0	1.0
Total FTE's	313,260		3.1	1.5	3.8	3.8

III. C - Expenditures By Program (optional)

Program	FY 2016	FY 2017	2015-17	2017-19	2019-21
Agency Administration (Indirect) (100)		88,876	88,876	213,974	213,974
Community Services and Housing (300)		483,398	483,398	1,541,468	1,840,482
Total \$		572,274	572,274	1,755,442	2,054,456

Part IV: Capital Budget Impact

None.

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.

Section 3

The Governing Board will adopt rules governing the payment by eligible individuals of expenses related to self-directed investment accounts.

Section 5

The Governing Board will adopt rules to administer, manage, promote, and market the ABLE savings program.

Attachment A

Based on the Estimated Number of Participants and the Average Contribution by or on behalf of each Participant (January 22, 2016)									
		FY18	FY19	FY20	FY21				
		Average Annual Tax-Free Contributions per Participant							
		\$ 4,000	\$ 8,000	\$ 12,000	\$ 14,000				
FY	Est. Participants								
FY18	1,000	\$ 4,000,000	\$ 8,000,000	\$ 12,000,000	\$ 14,000,000				
FY19	2,000	\$ 8,000,000	\$ 16,000,000	\$ 24,000,000	\$ 28,000,000				
FY20	3,000	\$ 12,000,000	\$ 24,000,000	\$ 36,000,000	\$ 42,000,000				
FY21	4,000	\$ 16,000,000	\$ 32,000,000	\$ 48,000,000	\$ 56,000,000				
		Estimated Revenue							
		Average Annual Tax-Free Contributions per Participant							
		FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
		\$ 4,000	\$ 8,000	\$ 12,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
		2%	2%	2%	2%	2%	2%	2%	2%
	Annual Management Fee per Participant:	\$ 80	\$ 160	\$ 240	\$ 280	\$ 280	\$ 280	\$ 280	\$ 280
FY	Est. Participants								
FY18	1,000	\$ 80,000	\$ 160,000	\$ 240,000	\$ 280,000	\$ 280,000	\$ 280,000	\$ 280,000	\$ 280,000
FY19	2,000	\$ 160,000	\$ 320,000	\$ 480,000	\$ 560,000	\$ 560,000	\$ 560,000	\$ 560,000	\$ 560,000
FY20	3,000	\$ 240,000	\$ 480,000	\$ 720,000	\$ 840,000	\$ 840,000	\$ 840,000	\$ 840,000	\$ 840,000
FY21	4,000	\$ 320,000	\$ 640,000	\$ 960,000	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000
FY22	5,000	\$ 400,000	\$ 800,000	\$ 1,200,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
FY23	6,000	\$ 480,000	\$ 960,000	\$ 1,440,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000
FY24	7,000	\$ 560,000	\$ 1,120,000	\$ 1,680,000	\$ 1,960,000	\$ 1,960,000	\$ 1,960,000	\$ 1,960,000	\$ 1,960,000
FY25	8,000	\$ 640,000	\$ 1,280,000	\$ 1,920,000	\$ 2,240,000	\$ 2,240,000	\$ 2,240,000	\$ 2,240,000	\$ 2,240,000

Individual State Agency Fiscal Note

Bill Number: 6210 S SB	Title: Better life experience prog.	Agency: 126-State Investment Board
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Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2016	FY 2017	2015-17	2017-19	2019-21
State Investment Board Expense Account-State 031-1		205,000	205,000	184,000	184,000
Total \$		205,000	205,000	184,000	184,000

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.0	0.5	0.3	0.5	0.5
Account					
State Investment Board Expense Account-State 031-1	0	205,000	205,000	184,000	184,000
Total \$	0	205,000	205,000	184,000	184,000

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). A fiscal analysis was prepared to show the projected ten-year cost to tax or fee payers of the proposed taxes or fees. The ten-year projection can be viewed at

<http://www.ofm.wa.gov/tax/default.asp>

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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/26/2016
Agency Preparation: Angie Naillon	Phone: 3609564746	Date: 01/27/2016
Agency Approval: Celina Verme	Phone: (360) 956-4740	Date: 01/27/2016
OFM Review: Jane Sakson	Phone: 360-902-0549	Date: 01/28/2016

Part II: Narrative Explanation

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

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Two differences between the original and substitute bills are relevant to the Washington State Investment Board (WSIB):

1. A modification to sub-section 3(2)(c)(i) separates the self-directed asset participant record keeping activities from accounting and reporting activities.
2. Revised language in sub-section 3(2)(c)(v) clarifies WSIB has sole responsibility for contracting with outside investment firms only if the agency is selected by the governing board to invest ABLE funds.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

WSIB's operating expenses are funded based on a formula established by statute. Each fund invested by the agency pays a share proportional to the value of the assets in the fund.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

If the ABLE Board selects WSIB to invest program funds, the agency anticipates two partial FTEs will be necessary to implement this legislation: .25 of an Investment Officer at the top of the salary range and .25 of a Fiscal Analyst 2 at Step L. Costs are ongoing with two exceptions: (1) \$100,000 in Professional Service Contracts during FY17 to conduct either an asset allocation study or develop self-directed investment options and (2) \$13,000 in initial equipment purchases. Given the partial nature of these positions, it is assumed an office space would be shared, eliminating the need to construct two separate cubicles.

Information concerning cash flow, liquidity needs, and investment objectives for this new fund are limited at this time. As the program is implemented, WSIB may need to reassess the fiscal and workload impacts and submit future budget requests.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years		0.5	0.3	0.5	0.5
A-Salaries and Wages		49,000	49,000	98,000	98,000
B-Employee Benefits		14,000	14,000	28,000	28,000
C-Professional Service Contracts		115,000	115,000	30,000	30,000
E-Goods and Other Services		9,000	9,000	18,000	18,000
G-Travel		2,000	2,000	4,000	4,000
J-Capital Outlays		16,000	16,000	6,000	6,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$205,000	\$205,000	\$184,000	\$184,000

III. B - 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 2016	FY 2017	2015-17	2017-19	2019-21
Fiscal Analyst 2	48,432		0.3	0.1	0.3	0.3
Investment Officer	146,000		0.3	0.1	0.3	0.3
Total FTE's	194,432		0.5	0.3	0.5	0.5

Part IV: Capital Budget Impact

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.