

Multiple Agency Fiscal Note Summary

Bill Number: 1134 S HB	Title: State-tribal edu compacts
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2013-15			2015-17			2017-19		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Superintendent of Public Instruction	.1	132,000	132,000	.1	28,000	28,000	.2	40,000	40,000
Department of Early Learning	1.0	220,430	220,430	1.0	198,430	198,430	1.0	207,430	207,430
School District Fiscal Note - SPI	Fiscal note not available								
Total	1.1	\$352,430	\$352,430	1.1	\$226,430	\$226,430	1.2	\$247,430	\$247,430

Estimated Capital Budget Impact

NONE

This fiscal note is for state agency costs only. The school district note is being published in a separate document.

Prepared by: Paula Moore, OFM	Phone: (360) 902-0540	Date Published: Final 2/21/2013
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 34348

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 1134 S HB	Title: State-tribal edu compacts	Agency: 350-Supt of Public Instruction
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.1	0.1	0.1	0.1	0.2
Account					
General Fund-State 001-1	118,000	14,000	132,000	28,000	40,000
Total \$	118,000	14,000	132,000	28,000	40,000

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:

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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.

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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: Jessica Harrell	Phone: 360-786-7349	Date: 02/08/2013
Agency Preparation: TJ Kelly	Phone: 360 725-6181	Date: 02/21/2013
Agency Approval: JoLynn Berge	Phone: 360 725-6292	Date: 02/21/2013
OFM Review: Paula Moore	Phone: (360) 902-0540	Date: 02/21/2013

Request # SHB 1134-1

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.

Section 1 establishes the concept that school funding should honor tribal sovereignty and reflect the government-to-government relationship between the state and the tribes. It also authorizes OSPI to enter into state tribal compacts.

Section 2 - Prior to entering into state tribal compacts, OSPI must establish and application and approval process, procedures, and timeline for the negotiation, approval or disapproval, and execution of state tribal education compacts. (5) Within ninety days of receipt of a resolution and application under this section, OSPI must convene a government to government meeting for the purpose of considering the resolution and application and initiating negotiations. (7) The superintendent of public instruction shall adopt such rules as are necessary to implement this chapter.

Section 5 of this act requires that tribal compact schools follow the same definitions of enrolled students and annual average full-time equivalent students as school districts. Funding will be allocated based on statewide staff mix of the prior school year, and the school's actual full-time-equivalent enrollment. First year funding will be based on projections of first-year student enrollment established in the compact. Reconciliation between first year actual and first year projections will be done during the second full year of operation.

Section 8 requires the Department of Early Learning (DEL) to consult with OSPI and any participants in a pilot program under section 5 of this act, to submit a preliminary report to the education and early learning committees of the legislature regarding the implementation progress of the early learning pilot program by December 1, 2017, with a final report due by December 1, 2022.

This substitute bill adds the following language to section 3 (5), "Nothing in this chapter may limit or restrict any enrollment or school choice options otherwise available under Title 28A RCW."

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.

None.

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.

Section 1 establishes the concept that school funding should honor tribal sovereignty and reflect the government-to-government relationship between the state and the tribes. It also authorizes OSPI to enter into state tribal compacts.

Section 2 - Prior to entering into state tribal compacts, OSPI must establish and application and approval process,

procedures, and timeline for the negotiation, approval or disapproval, and execution of state tribal education compacts. (5) Within ninety days of receipt of a resolution and application under this section, OSPI must convene a government to government meeting for the purpose of considering the resolution and application and initiating negotiations. (7) The superintendent of public instruction shall adopt such rules as are necessary to implement this chapter.

Section 5 of this act requires that tribal compact schools follow the same definitions of enrolled students and annual average full-time equivalent students as school districts. Funding will be allocated based on statewide staff mix of the prior school year, and the school's actual full-time-equivalent enrollment. First year funding will be based on projections of first-year student enrollment established in the compact. Reconciliation between first year actual and first year projections will be done during the second full year of operation.

Section 8 requires the Department of Early Learning (DEL) to consult with OSPI and any participants in a pilot program under section 5 of this act, to submit a preliminary report to the education and early learning committees of the legislature regarding the implementation progress of the early learning pilot program by December 1, 2017, with a final report due by December 1, 2022.

This fiscal note assumes the following: a .1 FTE will be needed to complete application development work required in Section 2 of this bill, to adopt rules required in section 2(7), and to complete reporting work required in section 8(6). Approximate cost is \$15,000 in FY14 and \$14,000 in FY15 through FY17 and FY19, and \$26,000 in FY18 (additional duties for reporting in FY18 only).

Section 5 would require the apportionment system to be reprogrammed at a one-time cost of \$103,000. Tribal education compact schools will need to report all data that they are currently reporting to and or through their partner school district directly to OSPI. This is to ensure that all state and federal reporting requirements are being met, and will ensure that the schools are receiving the maximum funding possible from the state.

OSPI school apportionment systems will need to be reprogrammed at the cost listed above, so that the following minimum data reporting requirements can be met:

System Data Collected/Purpose

F-203 - This system uses data assumptions provided by the school district and puts them through the state funding formula that is approved by the legislature each year. The system then estimates the total amount of state revenue that the school district can spend in its budget. Enrollment data from the F-203 would be uploaded into the apportionment system to serve as the basis of funding for the entire first school year of operations.

P-223- Collects full-time-equivalent and headcount enrollment on a monthly basis. This data is the enrollment basis for apportionment calculations.

S-275- Collects information on all employees under contract with a school district as of October 1. This information is used to track expenditures on individual employees and certain employee groups across the state.

CEDARS- Comprehensive Education Data and Research System (CEDARS) data is used to determine whether or not a particular school qualifies for funding enhancements such as K-3 high poverty class size. Teachers who are national

board certified must also be reported in CEDARS is they wish to qualify for the annual bonuses that are outlined in the state budget.

F-196- This is the annual financial reporting document that outlines revenues and expenses after a school year is closed. Members of the public and the legislature make requests for information from this document on a regular basis to track how state dollars in education are being spent. Data from this submission is also used to calculate annual maintenance of effort compliance for federal grants. Data is also required to be reported to the U.S. Department of Education to track state per pupil expenditures and for various other data purposes.

There is no caseload increase as these are currently enrolled students. Each FTE still generates the same basic ed allocation amount, it's now directly allocated to the tribal school, rather than through a school district as done under current law.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.1	0.1	0.1	0.1	0.2
A-Salaries and Wages	7,726	7,726	15,452	15,452	23,178
B-Employee Benefits	4,620	3,820	8,440	7,504	11,257
C-Professional Service Contracts	103,200		103,200		
E-Goods and Other Services	454	454	908	1,044	1,565
G-Travel	2,000	2,000	4,000	4,000	4,000
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:	\$118,000	\$14,000	\$132,000	\$28,000	\$40,000

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 2014	FY 2015	2013-15	2015-17	2017-19
WMS Band 2	77,259	0.1	0.1	0.1	0.1	0.2
Total FTE's	77,259	0.1	0.1	0.1	0.1	0.2

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.

Yes.

Individual State Agency Fiscal Note

Bill Number: 1134 S HB	Title: State-tribal edu compacts	Agency: 357-Department of Early Learning
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
Account					
General Fund-State 001-1	121,215	99,215	220,430	198,430	207,430
Total \$	121,215	99,215	220,430	198,430	207,430

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:

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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.

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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).

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Capital budget impact, complete Part IV.

☒

Requires new rule making, complete Part V.

Legislative Contact: Jessica Harrell	Phone: 360-786-7349	Date: 02/08/2013
Agency Preparation: John Rich	Phone: 360 725-4513	Date: 02/19/2013
Agency Approval: John Rich	Phone: 360 725-4513	Date: 02/19/2013
OFM Review: Kate Davis	Phone: (360) 902-0570	Date: 02/19/2013

Request # 13-017-1

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.

New subsection 5(5) encourages schools that are the subject of state-tribal education compacts to conduct early learning pilot programs developed under section 8 of this act in conjunction with their school programs for kindergarten and beyond.

New Section 8:

Subsection 1 would require the Department of Early Learning (DEL) to develop and pilot programs of early learning from birth to kindergarten that work in conjunction with, and offer a seamless transition to, K-12 education programs for kindergarten and beyond in schools that are the subjects of state-tribal education compacts. It also names the DEL director or designee as working group chair.

Subsection 2 specifies membership on the working group: Three representatives from tribes and three representatives selected and appointed by the DEL director.

Subsections 3 through 5 specify the duties of the working group: Develop recommended parameters and minimum standards for the pilot programs, examine service delivery models, and make funding options recommendations for enabling state-tribal compact schools to provide or contract for early learning services to children from birth to kindergarten. These recommendations are due no later than six months after the effective date of this section.

Subsection 6 would require DEL, in consultation with the Office of Superintendent of Public Instruction (OSPI) and any participants in a program under section 5(5) of this act, to submit a preliminary report to the education and early learning committees of the Legislature on implementation and progress of the pilot programs, by December 1, 2017. It also would require a final report by December 1, 2022, to include: (a) an evaluative component that analyzes and compares measurements on tools, tests, and markers such as the Washington Kindergarten Inventory of Developing Skills, third grade reading, and high school graduation to determine whether the early learning pilot programs affiliated with state-tribal compact schools are effectively closing the educational opportunity gap; and (b) recommendations with respect to whether the pilot program should be made permanent or expanded.

Subsection 7 sets an expiration of August 1, 2023, for section 8.

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.

None.

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.

Assumptions:

This fiscal note addresses expenditures necessary to convene and support the working group, administer the pilot program, and write the interim and final reports.

Estimated expenditures for pilot program implementation and evaluation are indeterminate, because the scope of the pilot program will not be known until the program and funding recommendations of the working group are delivered to and acted upon by the Legislature. However, the costs per child for a pilot program similar to the Early Childhood Education and Assistance Program (ECEAP) and home visiting are discussed below, to give some indication of the potential fiscal impact.

Section 8(1): Pilot Programs.

Expenditures are indeterminate for developing and piloting a program. ECEAP and home visitation expenditures give some indication of the possible program components and costs that might be necessary:

--The average cost per child in the Early Childhood Education and Assistance Program (ECEAP) is \$6,812. This amount includes the average of \$6,660 per slot that contractors receive and the DEL monitoring and quality assurance (program administration) rate of \$152 per slot. Assuming pilots would have the same costs as ECEAP programs, a pilot of 20 classrooms around the state of Washington would cost \$2,724,800 for direct services and program administration. This assumes 20 children per class, with 20 classrooms across the state, at an average cost of \$6,812 (\$6,660 + \$152) per child. $20 \times 20 \times \$6,812$.

--The average cost per child for home visiting (HV) is \$6,500. Assuming pilots would have the same costs as HV slots, a pilot in 15 to 20 communities around Washington would cost an estimated \$3,250,000 in direct services. This figure assumes 500 slots at \$6,500 per slot. This amount does not include any DEL administration, only direct services.

Section 8(1): Working group.

FTE, Salary and Benefits: 1.0 FTE Program Specialist 5 costing \$84,215 in salary and benefits in each of fiscal years 2014-19. The PS5 would facilitate and support the working group, draft and edit the recommendations and manage the funding analysis contract. It is assumed that the PS5 would also manage pilot program contracts, if the pilot programs are implemented.

Personal Service Contracts:

FY 2014: \$15,000 in one-time expenditure to contract for analysis of funding options, assuming 100 hours of work at \$150 per hour.

Goods and Services: \$13,000 in each fiscal year of fiscal years 2014-19 for standard goods and services for the PS5 FTE. Standard goods and services include necessary supplies and materials, space and utilities, information technology fees and equipment leases, communications, routine printing and reproduction, employee development and training, and mandatory interagency charges, including those from the Department of Personnel and Department of Enterprise

Services.

Travel: \$9,000 in FY14 comprised of \$8,000 for working group member travel, which it is assumed DEL would be responsible for, and \$1,000 for DEL staff to travel to rulemaking hearings. Member travel assumes four of the working group meetings would occur in Western Washington and two in Eastern Washington. Monthly working group meetings would be necessary because program recommendations are due no later than six months from the effective date of this act, which is assumed to be July 1, 2013. \$2,000 in each of fiscal years 2015-19 for necessary travel for the PS5 to monitor new classrooms and home visiting programs and provide technical assistance and training on pilot program standards.

Section 8(6): Preliminary Report.

Personal Service Contract: A one-time expenditure of \$9,000 in fiscal year 2018 to write the preliminary report in consultation with OSPI and pilot program participants, assuming 60 hours of work at \$150 per hour.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	64,428	64,428	128,856	128,856	128,856
B-Employee Benefits	19,787	19,787	39,574	39,574	39,574
C-Professional Service Contracts	15,000		15,000		9,000
E-Goods and Other Services	13,000	13,000	26,000	26,000	26,000
G-Travel	9,000	2,000	11,000	4,000	4,000
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:	\$121,215	\$99,215	\$220,430	\$198,430	\$207,430

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 2014	FY 2015	2013-15	2015-17	2017-19
Program Specialist 5	64,428	1.0	1.0	1.0	1.0	1.0
Total FTE's	64,428	1.0	1.0	1.0	1.0	1.0

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 8(3) requires rulemaking. It is assumed that rulemaking would not begin until working group recommendations are acted upon by the Legislature. Rulemaking expenditures are discussed in Part IIC.

Request # 13-017-1