

Individual State Agency Fiscal Note

Bill Number: 1276 HB AMH ED WICK 021	Title: Dropout prevention/farming	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:

Non-zero but indeterminate cost. Please see discussion.

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.

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Requires new rule making, complete Part V.

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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 2

Creates the Dropout Prevention Through Farm Engagement pilot project for a three year period beginning in the 2013-14 school year.

OSPI shall select two pilot projects from school districts that agree to partner with community-based organizations, food banks, and farms or gardens to establish an alternative high-school program targeted primarily to-at risk youth. One of the selected projects must be a currently operating program with a record of success in engaging low-income and disengaged youth. The second selected project must create a new program in a different community. Project characteristics are defined in the bill.

Section 2(4) specifies the amount of funding to be received by the two pilot projects.

Section 2(5) requires OSPI to conduct an evaluation of the program after the pilot projects have been operating for two years. The evaluation results are to be submitted to the education committees of the legislature by December 1, 2015.

Changes compared to the original bill (HB 1276):

The amendment specifies that the opportunities given to youth include employment training, and changes the designation of stipends given to youth from employment stipends to educational stipends.

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.

OSPI Expenditures

Staffing and Program Evaluation:

OSPI would need a .1 FTE WMS II Program Supervisor to conduct the grant application and award process, monitor the grant, and select and monitor a contract for program evaluation services.

OSPI would contract for the required program evaluation. Although the evaluation is to be conducted in the third year, a contractor will be required beginning in year one to collect the data from the pilot projects and from a control group. Some of the data required in the evaluation is not readily available (e.g. acreage used for fresh produce, volume of

produce produced and made available to students, hours of community service activity by students). Based on experience with other program evaluation contracts, OSPI estimates a three-year contract for \$75,000 would be necessary, and assumes the costs would be split evenly over the three years.

Staffing, goods and services, and contract costs are projected to be \$40,000 per year.

Pilot Project Funding - Indeterminate:

The costs for this fiscal note are indeterminate, since it is unknown how many students will choose to participate in this project. OSPI can provide an estimate based on a similar career and technical education program operating in the Olympia School District (OSD).

It is estimated that the two pilot programs would enroll a combined 50 FTE. That number is twice the enrollment of a similar program that is currently operating in Olympia School District (OSD). Skills Center programs are offered in three hour blocks, which equates to a 0.6 FTE for funding purposes. For the purposes of this fiscal note, we are assuming that these 50 students would spend half of their day at the high school generating the BEA rate, and half of their day in the dropout prevention through farm engagement pilot program at the Skills Center rate. During the summer months these students would be full time skills center students. That pattern equates to an annual FTE total of 1.3 which can be broken down to 0.6 BEA and 0.7 skills center. This models the enrollment pattern of the students in the program currently operating in OSD. The chart below calculates the estimated annual cost increase for 50 students assuming that this course is funded under the skills center model. The average BEA rates for grades 9-12 and skills center includes the 1.9% and 3.0% salary restoration, and calculates the benefit rates at 18.68% for certificated employees and 20.95% for classified employees.

Average State BEA Rate 9-12	\$5,200
Average Skills Center BEA Rate	\$6,700
Average Pilot Program Student	\$7,810
Per student Increase	\$2,610 (\$7,810-\$5,200)
Total Cost Based on 50 FTE	\$130,500 (50 x \$2,610)

The average pilot program student BEA rate is calculated by taking 0.6 times the average state 9-12 BEA rate of \$5,200 and adding 0.7 times the average skills center BEA rate of \$6,700.

The total annual cost of \$130,500 for fifty student FTEs is per school year based beginning in the 2013-14 school year.

Part III: Expenditure Detail

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.