

Multiple Agency Fiscal Note Summary

Bill Number: 5718 SB	Title: Public education system
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2015-17			2017-19			2019-21		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Student Achievement Council	.4	103,000	112,000	.3	88,000	96,000	.3	88,000	96,000
Superintendent of Public Instruction	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Early Learning	.2	51,853	51,853	.2	43,984	43,984	.2	43,984	43,984
Community and Technical College System	.4	96,000	96,000	.5	108,000	108,000	.5	108,000	108,000
Total	1.0	\$250,853	\$259,853	1.0	\$239,984	\$247,984	1.0	\$239,984	\$247,984

Estimated Capital Budget Impact

NONE

Prepared by: Kate Davis, OFM	Phone: (360) 902-0570	Date Published: Final 2/20/2015
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

ENPID: 40005

FNS029 Multi Agency rollout

Individual State Agency Fiscal Note

Bill Number: 5718 SB	Title: Public education system	Agency: 340-Student Achievement Council
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.5	0.3	0.4	0.3	0.3
Account					
General Fund-State 001-1	59,000	44,000	103,000	88,000	88,000
Advanced College Tuition Payment Program Account-Non-Appropriated 788-6	5,000	4,000	9,000	8,000	8,000
Total \$	64,000	48,000	112,000	96,000	96,000

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:

- ☒ 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: Ailey Kato	Phone: 786-7434	Date: 02/02/2015
Agency Preparation: Mark Bergeson	Phone: 360-753-7881	Date: 02/06/2015
Agency Approval: Don Bennett	Phone: 360-753-7810	Date: 02/06/2015
OFM Review: Cherie Berthon	Phone: 360-902-0659	Date: 02/09/2015

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.

Sections 2(2)-2(5) require the Washington Student Achievement Council (WSAC) to participate in a multi-agency work group, make equity impact reviews available for public comment related to administrative rules and budgets, and aggregate impact reviews into annual reports submitted to the Educational Opportunity Gap Oversight and Accountability Committee.

Implementing these sections of the bill will require one-time effort of 0.09 FTE associate director effort and 0.38 FTE of program associate effort, based on the following assumptions:

- The process includes an equity impact assessment tool for use by staff to gather information that agencies would use to identify and evaluate rule-related and budgetary impacts as part of the equity impact review process. This tool would include a demographic analysis and other relevant components. This tool would be developed by the work group rather than by individual agencies, and each agency would contribute to its development.
- The agency would need to develop its own training program and materials to educate staff on the process.
- The agency will need to develop communication materials.

The ongoing cost of implementing the bill depends on the nature of the process that the work group develops. However, it is possible to estimate a minimum cost of the bill if one assumes that the equity impact review process will be fairly simple. Implementing these sections of the bill will require 0.03 FTE of ongoing associate director effort and 0.28 FTE of program associate effort, based on the following assumptions:

- The equity review process will be a relatively simple one that involves applying a standardized assessment tool and does not require substantial statistical analysis such as factor analysis.
- The agency will need to hire contractors for evaluation with respect to determinants of equity that lie outside the agency's education expertise.
- Communication will be inclusive and would involve significant outreach efforts to communities identified in the bill, including communities that require interpreter services.

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.

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.

The following expenditures are necessary to implement sections 2(2)-2(5) of the bill. Workload assumptions are based on how frequently the agency and its predecessor agency developed rules and budget requests over the last 5 years, as well as prior experience with the individual tasks, such as meeting participation or document preparation, that would need to be done to implement the bill. These tasks result in one-time and ongoing expenditures.

One-time expenditures related to implementing these sections of the bill reflect 0.09 FTE of associate director

effort and 0.38 FTE of program associate effort, plus related goods, services, and travel, for activities including:

- Modifying agency budget and rule-making processes to include uniform equity impact review.
- Developing training materials.
- Providing initial training for staff in the use of the equity impact process and related assessment tools.
- Developing communication channels for making the impact review available to communities identified in the bill.
- Developing guidelines and standards for public engagement for use in implementing the bill.
- Developing media releases, brochures, pamphlets, webpages, and other means of outreach.
- Translating information into other languages.
- Developing a budget comment process.
- Developing a report format.

The total one-time cost for salaries, benefits, contracts, goods, and services related to these activities is \$41,000 in FY 2016.

Ongoing expenditures related to implementing these sections of the bill reflect 0.03 FTE of associate director effort and 0.28 FTE of program associate effort, plus related goods, services, and travel, for activities including:

- Demographic and other analyses and research.
- Outreach.
- Hearings.
- Follow-up (meetings, email, phone, revisions).
- Review write-up.
- Review communication.
- Report preparation and dissemination (including presentations).
- Ongoing staff training.

The total ongoing cost for salaries, benefits, contracts, goods, and services related to these activities is \$23,000 in FY 2016 and \$48,000 per fiscal year thereafter.

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	0.4	0.3	0.3
A-Salaries and Wages	31,000	20,000	51,000	40,000	40,000
B-Employee Benefits	6,000	4,000	10,000	8,000	8,000
C-Professional Service Contracts		8,000	8,000	16,000	16,000
E-Goods and Other Services	26,000	15,000	41,000	30,000	30,000
G-Travel	1,000	1,000	2,000	2,000	2,000
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:	\$64,000	\$48,000	\$112,000	\$96,000	\$96,000

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
Associate Director	91,000	0.1	0.0	0.1	0.0	0.0
Program Associate	60,000	0.4	0.3	0.3	0.3	0.3
Total FTE's	151,000	0.5	0.3	0.4	0.3	0.3

III. C - Expenditures By Program (optional)

Program	FY 2016	FY 2017	2015-17	2017-19	2019-21
Policy Coordination & Administration (010)	36,000	24,000	60,000	48,000	48,000
Guaranteed Education Tuition (020)	5,000	4,000	9,000	8,000	8,000
Financial Aid & Grant Programs (030)	23,000	20,000	43,000	40,000	40,000
Total \$	64,000	48,000	112,000	96,000	96,000

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.

Individual State Agency Fiscal Note

Bill Number: 5718 SB	Title: Public education system	Agency: 350-Supt of Public Instruction
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Part I: Estimates

☐ 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:

- ☒ 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: Ailey Kato	Phone: 786-7434	Date: 02/02/2015
Agency Preparation: Mike Woods	Phone: 360 725-6283	Date: 02/19/2015
Agency Approval: JoLynn Berge	Phone: 360 725-6292	Date: 02/19/2015
OFM Review: Kate Davis	Phone: (360) 902-0570	Date: 02/20/2015

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

Requires the Office of the Superintendent of Public Instruction (OSPI) to convene a work group to design a uniform equity impact review process to identify, evaluate, and communicate the potential impacts of proposed administrative rules and budget requests that affect educational equity. Within four months from the date the Governor signs the 15-17 operating budget, the work group must establish an equity review process for screening proposed administrative rules and budget proposals. The review process shall, at a minimum:

Determine the impact of the proposed rule or budget proposal on determinants of equity;

If there is an impact, identify the communities subject to the impacts;

Identify the type and degree of the impact, including whether the proposed rule or budget request will impact the opportunity gap;

Identify the types of involvement stakeholders from impacted communities have had in the development of the proposed rule or budget request;

Recommend ways to mitigate or eliminate negative impact or enhance positive impact and identify barriers to implementing those alternative options.

Beginning January 1, 2016 (SFY16) OSPI, the Department of Early Learning, the Student Achievement Council, the State Board of Education, the State Board for Community and Technical Colleges, and the Professional Educator Standards Board must make equity impact reviews available for public comment when:

Notice of a public hearing on proposed rules is published in the Washington State Register; or

Any budget request is submitted to the Office of Financial Management.

Each Agency responsible for creating equity impact reviews shall aggregate its reviews into an annual report to be submitted to the Educational Opportunity Gap Oversight and Accountability Committee and the Legislature by January 15, 2017 and December 31st of each year thereafter. Each agency shall include in this report whether the agency took actions to alter a proposed rule or budget request based on the equity review and if so what those actions included.

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.

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.

Indeterminate Impacts

The fiscal impacts are the function of two separate activities: 1) The near term (four month) requirement to convene a work group to establish an equity impact review process; and 2) The ongoing impact of implementing an equity impact review process.

Work Group Impacts: Indeterminate.

Section 2(2) requires OSPI to convene a 10 member workgroup representing various state agencies and stakeholder groups. Although OSPI is convening the workgroup, it is not listed as a member. Within four months from the date the Governor signs 2015 omnibus operating appropriations act the work group must establish an equity impact review process for screening proposed administrative rules and budget proposals.

OSPI assumes 2 full day meetings per month held at OSPI to develop the process. Meeting costs over the four-month development process are projected to be \$18,000. For purposes of this fiscal note OSPI assumes the meetings will start in July 1 and end October 31, 2015. Because the starting date of the work group is a function of legislative and gubernatorial action, the timing cannot be projected. If the legislature adopts a budget by April 26, 2015 and the Governor takes 20 days to sign the appropriations bill the meetings could start in mid-May and would need to be completed by mid-September.

Work group impacts are indeterminate for the following reasons:

OSPI is estimating eight full day meetings for work group members. Due to its role as convener of the four month work group, OSPI expects to be responsible for the majority of the work. OSPI projects the need for 2 full time staff members and additional administrative support. It's not clear how much time outside the meetings staff from other agencies (including the State Board of Education and Professional Educator Standards Board) will need to devote to the work group's task.

OSPI

OSPI projects the need for a full-time WMS2 Program Supervisor; a full time Research Analyst; and .35 FTE Administrative Assistant 3 to staff and support the work group for four months. Costs would be \$87,983 for compensation, standard goods, services and travel; and includes one-time office set-up costs of \$10,000. OSPI would also incur \$18,000 in costs associated with convening 8 full day meetings.

SBE

Staff costs to participate in 8 full day meetings (64 hours of meetings) would be \$4,500 for compensation, and standard goods and services. The number of hours outside of meetings is indeterminate.

PESB

Staff costs to participate in 8 full day meetings (64 hours of meetings) would be \$4,125 for compensation, and standard goods and services. The number of hours outside of meetings is indeterminate.

Implementation Impacts: Indeterminate

Beginning January 1, 2016 OSPI, the Department of Early Learning, the Student Achievement Council, the State Board of Education, the State Board for Community and Technical Colleges, and the Professional Educator Standards Board must make equity impact reviews available for public comment when any budget request is submitted to the Office of Financial Management and when notice of public hearing on any proposed administrative rule is published in the Washington State Register.

Each agency responsible for creating equity impact reviews shall aggregate its agency equity impact reviews into annual reports to be submitted to the Educational Opportunity Gap Oversight and Accountability Committee (EOGAC) and the legislature by January 15, 2017 and by December 31 of each year thereafter.

Implementation impacts are indeterminate for the following reasons:

The review process must be defined by the work group.

The bill requires the named entities to implement the equity review process on any budget request submitted to

OFM. Because the SBE and PESB do not submit budget requests directly to OFM (budget requests are submitted on their behalf by OSPI), it's not clear if the SBE and PESB must follow the process, or if OSPI would follow the equity review process of their behalf.

OSPI

Due to the complexity and volume of work (number of Decision Packages submitted, number of rules proposed each year) OSPI assumes the staffing needed for developing the review tool would be retained to oversee and manage OSPI's review process. FY16 costs for implementation would be \$154,967 for compensation, and standard goods, services and travel. Yearly costs in subsequent years is projected to be \$243,950.

SBE and PESB

Because the review process hasn't been created, impacts for the SBE and PESB cannot be estimated.

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.

Summary of Projected Impacts of SB 5718

FY16

4 Month Work Group

OSPI \$87,983 Assumes Full Time WMS2 Program Supervisor, Full Time Research Analyst, .35 Administrative Assistant 3

Meeting \$18,000 OSPI costs associated with 8 full day meetings.

SBE \$4,523 Assumes 64 hrs of staff time to attend meetings. Impact of staffing costs for work outside of meetings is indeterminate.

PESB \$4,123 Assumes 64 hrs of staff time to attend meetings. Impact of staffing costs for work outside of meetings is indeterminate.

\$114,629

FY16

Implementation

OSPI \$155,967 Assumes Full Time WMS2 Program Supervisor, Full Time Research Analyst, .35 Administrative Assistant 3

SBE Indeterminate

PESB Indeterminate

FY17 and Subsequent Years

OSPI \$243,950

SBE Indeterminate

PESB Indeterminate

Individual State Agency Fiscal Note

Bill Number: 5718 SB	Title: Public education system	Agency: 357-Department of Early Learning
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
Account					
General Fund-State 001-1	29,861	21,992	51,853	43,984	43,984
Total \$	29,861	21,992	51,853	43,984	43,984

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

Legislative Contact: Ailey Kato	Phone: 786-7434	Date: 02/02/2015
Agency Preparation: John Rich	Phone: 360 725-4513	Date: 02/12/2015
Agency Approval: Mike Steenhout	Phone: (360) 725-4920	Date: 02/12/2015
OFM Review: Rayanna Williams	Phone: (360) 902-0553	Date: 02/12/2015

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(2) requires that the Office of the Superintendent of Public Instruction (OSPI) convene workgroup that is required to design a uniform equity impact review process to identify, evaluate, and communicate the potential impacts of proposed administrative rules and budget requests that affect educational equity. The Department of Early Learning (DEL) must participate in this workgroup. OSPI assumes the work group will meet two times each month, for a total of eight meetings during the four month equity impact review process development. Each meeting will be a full day, and be held at OSPI.

Section 2(3) states that within four months of the signing of the budget, the group must establish an equity impact review process for screening proposed rules and budget proposals.

Section 2(4) requires DEL to make equity impact reviews available for public comment when the agency publishes new rules or submits new budget requests.

Section 2(5) requires DEL to aggregate its agency equity impacts into an annual report to be submitted to the educational opportunity gap oversight accountability committee by January 15, 2017, and by December 31st of each year thereafter. Each agency shall include in this report whether the agency took actions to alter a proposed rule or budget request based on the equity review and if so what those actions included.

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.

DEL estimates that a 0.2 Public Health Advisor 3 (PHA3) FTE would be needed to address the following workload:

- Preparation, participating, and reporting out on the 8 workgroup and meetings and activities is estimated at 192 hours during Fiscal year 2016.
- Ongoing equity impact reviews preparing them for public comment when the agency publishes new rules or submits new budget requests, then summarizing and tracking the comments, and responding to the comments is estimated at 5 hours a week, or 260 hours a year starting in Fiscal Year 2016.
- Writing an annual report is estimated at 160 hours per year starting in Fiscal Year 2017.

Salary/Benefits: 0.22 FTE PHA3 with a salary and benefits costs of \$17,872 in FY16, and then 0.20 FTE at \$16,472 in FY17 and each year thereafter. We assume the workgroup is only meeting in Fiscal Year 2016.

Goods and Services: \$163 in FY16 and \$150 in FY 17 and each year thereafter for direct goods and service, comprised of supplies and materials, routine printing, employee development and training and communications,

based on a rate of \$750 per FTE per fiscal year.

Travel and meals: \$1,000 assumed for travel and meals

Equipment: \$6,000 for one-time purchase of necessary office furniture and equipment for the PHA3.

Intra-Agency Reimbursement: \$5,826 in FY16 and \$5,370 in FY and each year thereafter for indirect costs for agency administration and central services, calculated at 32.6% of direct salaries and benefits. This is for administration and management of the department including governance, executive management, fiscal operations, human resources, communications and outreach, government relations and agency information technology services. It is also for agency central services including space and utilities, data processing fees and computer leases, communications, attorney general and audit services and other mandatory charges for services from the Department of Personnel and Department of Enterprise Services.

Total costs are \$29,861 if FY 16 and \$21,992 in FY 17 and each year thereafter. As reflected above, the costs of participating are assumed to be one-time. All other costs are considered to be ongoing.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
A-Salaries and Wages	13,046	12,024	25,070	24,048	24,048
B-Employee Benefits	4,826	4,448	9,274	8,896	8,896
C-Professional Service Contracts					
E-Goods and Other Services	163	150	313	300	300
G-Travel					
J-Capital Outlays	6,000		6,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	5,826	5,370	11,196	10,740	10,740
9-					
Total:	\$29,861	\$21,992	\$51,853	\$43,984	\$43,984

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
Public Health Advisor 3	60,120	0.2	0.2	0.2	0.2	0.2
Total FTE's	60,120	0.2	0.2	0.2	0.2	0.2

Part IV: Capital Budget Impact

NONE

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.

None.

Individual State Agency Fiscal Note

Bill Number: 5718 SB	Title: Public education system	Agency: 699-Community/Technical College System
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.3	0.5	0.4	0.5	0.5
Account					
General Fund-State 001-1	42,000	54,000	96,000	108,000	108,000
Total \$	42,000	54,000	96,000	108,000	108,000

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

Legislative Contact: Ailey Kato	Phone: 786-7434	Date: 02/02/2015
Agency Preparation: Brian Myhre	Phone: 360-704-4413	Date: 02/09/2015
Agency Approval: Nick Lutes	Phone: (360) 704-1023	Date: 02/09/2015
OFM Review: Cherie Berthon	Phone: 360-902-0659	Date: 02/09/2015

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.

This bill would establish an equity impact review workgroup to design a uniform equity impact review process. The review process would identify, evaluate and communicate potential impacts of proposed administrative rules and budget requests on educational equity. The Washington State Board for Community and Technical Colleges (SBCTC) is a required member of the workgroup.

Beginning on January 1, 2016 the SBCTC would be required to make equity impact reviews available for public comment when a budget request is sent to the Office of Financial Management (OFM) or when a notice of public hearing is published in the Washington State Register for any proposed administrative rule.

SBCTC would be required to aggregate its equity impact reviews into an annual report to be submitted to the Educational Opportunity Gap Oversight and Accountability Committee and the Legislature by January 15, 2017 and by December 31 of each year thereafter.

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.

No cash receipts impact.

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.

The following provisions of the bill would have an expenditure impact.

Section 2(2) would require the SBCTC to participate in a equity impact review workgroup convened by the Office of Superintendent of Public Instruction (OSPI). The workgroup is tasked with designing a uniform equity impact review process. The review process would seek to identify, evaluate and communicate potential impacts of proposed administrative rules and budget requests on educational equity. The design of the equity impact review process must be complete within four months from the date the Governor signs the 2015 Omnibus Operating Appropriations Act.

The equity impact review process would be designed at a minimum to: Determine whether proposed rules or budgets have a positive or negative impact on the determinants of equity, identify communities subject to the impacts; identify the type and degree of impact; identify the types of involvement stakeholders of impacted communities have had in the development of the proposed rule or budget request and; recommend ways to mitigate or eliminate negative impacts, enhance positive impacts and identify barriers to implementing alternative options.

Based on OSPI assumptions, the workgroup will meet for four months, two times each month for a total of 8 full-day meetings, to develop the impact review process. SBCTC will staff the workgroup with an SBCTC Policy Analyst. The Policy Analyst will attend and prepare for meetings, conduct internal meetings with SBCTC staff, conduct external meetings with affected stakeholder groups and help draft and finalize the equity impact

review process. Estimated costs for tasks related to the workgroup are \$8,000. These costs will one-time costs.

Beginning in January 2016, Section 2(4) would require the SBCTC to make equity impact reviews available for public comment whenever: 1) A notice of public hearing is published in the Washington State Register and; 2) Any budget request is submitted to OFM. The SBCTC proposes relatively few rules but does submit several budget requests annually. This section will have an on-going expenditure impact.

Section 2(5) would require the SBCTC to aggregate its equity impact reviews into an annual report and submit the reports to the Educational Opportunity Gap Oversight and Accountability Committee and the Legislature by January 15, 2017 and by December 31 of each year thereafter. Preparing an annual report will have an on-going expenditure impact.

While not explicitly stated in the bill, it is assumed that, after the workgroup has finalized the equity impact review process, the agencies named in the bill will be required to implement the review process. It is anticipated an SBCTC Policy Analyst will be needed to oversee the equity impact review process and coordinate the notification and reporting requirements in Sections 2(4) and 2(5). Cost will include coordinating the equity impact review effort, meeting with staff and external stakeholders, printing and website costs related to notifications and reporting. It is anticipated that costs for FY16 represent partial-year costs, starting in January 1, 2016, and FY17 onward will be full-year costs. Costs are estimated to be \$34,000 in FY16 and \$54,000 in FY17 onward.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.3	0.5	0.4	0.5	0.5
A-Salaries and Wages	30,000	40,000	70,000	80,000	80,000
B-Employee Benefits	8,000	10,000	18,000	20,000	20,000
C-Professional Service Contracts					
E-Goods and Other Services	3,000	3,000	6,000	6,000	6,000
G-Travel	1,000	1,000	2,000	2,000	2,000
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:	\$42,000	\$54,000	\$96,000	\$108,000	\$108,000

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
Policy Analyst	80,000	0.3	0.5	0.4	0.5	0.5
Total FTE's	80,000	0.3	0.5	0.4	0.5	0.5

Part IV: Capital Budget Impact

NONE

No 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.

No rule-making anticipated.