

Multiple Agency Fiscal Note Summary

Bill Number: 2573 E 2S HB AMS EDU S4970.1	Title: Teacher shortage
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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
Joint Legislative Audit and Review Committee	Fiscal note not available								
Caseload Forecast Council	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Retirement Systems	Fiscal note not available								
Student Achievement Council	Fiscal note not available								
Superintendent of Public Instruction	.0	2,487,000	2,487,000	.0	2,430,000	2,430,000	.0	500,000	500,000
Workforce Training and Education Coordinating Board	Fiscal note not available								
University of Washington	Fiscal note not available								
Washington State University	Fiscal note not available								
Eastern Washington University	Fiscal note not available								
Central Washington University	Fiscal note not available								
The Evergreen State College	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Western Washington University	Fiscal note not available								
Employment Security Department	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	Fiscal note not available								
Total	0.0	\$2,487,000	\$2,487,000	0.0	\$2,430,000	\$2,430,000	0.0	\$500,000	\$500,000

Local Gov. Courts *									
Loc School dist-SPI	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Other **									
Local Gov. Total									

Estimated Capital Budget Impact

NONE

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 44304

FNS029 Multi Agency rollup

Prepared by: Trisha Newport, OFM	Phone: (360) 902-0417	Date Published: Preliminary 2/29/2016
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note
FNPID: 44304

Individual State Agency Fiscal Note

Bill Number: 2573 E 2S HB AMS EDU S4970.1	Title: Teacher shortage	Agency: 101-Caseload Forecast Council
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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.

☐

Requires new rule making, complete Part V.

Legislative Contact: Alia Kennedy	Phone: 360-786-7405	Date: 02/26/2016
Agency Preparation: Maria Hovde	Phone: 360-664-9375	Date: 02/26/2016
Agency Approval: Elaine Deschamps	Phone: 360-664-9371	Date: 02/26/2016
OFM Review: Trisha Newport	Phone: (360) 902-0417	Date: 02/29/2016

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.

Section 12 of the bill requires the Caseload Forecast Council (CFC), subject to appropriations specifically provided for this purpose, to expand the K-12 statewide common school enrollment forecast to include a forecast of common school enrollment by school district. In addition, the CFC is required to consider a geographic information system (GIS) solution in determining district level forecasts and providing districts with the ability to adjust the final forecast.

NOTE: The bill requires the CFC to consider providing school districts with the ability to adjust the final forecast. Although giving the school districts this capability is not required in the bill, the CFC considers the ability to adjust final forecasts as a contradiction to provisions in statute that require the official, final state forecasts to be the basis of the Governor's budget document and utilized by the Legislature in the development of the omnibus biennial appropriations act. (Please refer to: RCW 43.88C.020(5) and RCW 43.88.030(1))

To satisfy the requirements of this bill, the CFC would need to:

- 1) Expand its forecasting duties for K12 enrollment to include individual enrollment forecasts for each of the 295 school districts, which would include: a) 295 individual forecasts of basic education enrollment; b) 295 individual forecasts of special education enrollment; and c) 295 individual forecasts of bilingual education enrollment;
- 2) Contract with an information technology vendor to modify the existing processes in order to maximize efficiencies offered by technology to ensure that the volume of forecasts required could be produced with a minimal number of additional staff required;
- 3) Make and maintain any necessary changes to the existing technological interface with which to access the data necessary to complete the forecasts;
- 4) Make and maintain any necessary changes to the existing processes/systems to organize/manipulate the data into a format that is usable for forecasting enrollment in each of the 295 school districts;
- 5) Expand the existing K12 technical work group to accommodate the review of these additional forecasts; and
- 6) Consider adding a GIS solution in determining district level forecasts.

The Caseload Forecast Council only meets three times a year to review and approve caseload forecasts; in November, February, and June. The bill does not have an effective date and given the workload involved in making the necessary changes to the technological infrastructures used for data handling and the forecast methodologies to accommodate individual forecasts for 295 school districts there will be insufficient time for the CFC to produce a forecast in time for the June 2016 Council meeting. As a result, the CFC is assuming that the first forecast of these caseloads will occur in November 2016.

The CFC utilizes a three-step organizational process in completing the forecasts:

- 1) Technical Workgroup: The CFC establishes separate workgroups for different forecast subject areas to promote consensus and transparency of the forecasts. There are currently ten active technical workgroups. All major decisions affecting the forecast are made through this workgroup process. These workgroups are comprised of a diverse group of participants that include the relevant agency experts and fiscal staff of the Legislature and the Office of Financial Management, which results in an independent, unbiased forecasting process.
- 2) Formal Workgroup: The formal workgroup is comprised of fiscal directors from the Legislative and Executive branches of government and review the draft forecasts in all areas prior to presenting them to the

Council.

3) Caseload Forecast Council: The Council reviews and approves the official caseload forecasts and they become the basis for the state's maintenance level budget.

Costs associated with this bill are indeterminate for the following reasons:

- It is unclear from the bill the level of detail that will be required for the district level forecasts. The greater level of detail will require a greater level of investment in additional staff in order to accommodate the volume of forecasts required.
- It will be necessary to invest in improvements to the technological interface systems and procedures in order to maximize efficiencies offered by technology so that the volume of forecasts required in the bill can be accommodated. Because the level of detail required for the district level forecasts is unclear, it is also unclear the level of automation that will be required to accommodate the volume of forecasts required in this bill.

However, the following is a discussion of the likely workload to the CFC associated with this bill.

The forecasting workload will involve the following:

- Expanding the existing K12 forecast of basic education enrollments, which is comprised of a number of sub-forecasts including Running Start, separate forecasts of headcount and FTE enrollment for each grade level (Kindergarten through 12th grade), and ancillary services, to provide enrollment forecasts of this information for the 295 individual school districts;
- Expanding the existing K12 forecast of special education enrollments and bilingual enrollments to provide enrollment forecasts of these subcategories for the 295 individual school districts;
- Producing forecasts three times a year and monthly forecast tracking reports of the 295 individual forecasts of these subcategories, although there may be some capacity for efficiencies in this process should a GIS capability be implemented;
- Producing any sub-forecasts that are necessary to complete the forecasts required in this bill;
- Maintain and potentially expand the existing K12 technical workgroup and facilitating and documenting the official CFC technical work group process:
- Providing forecast summary materials, tracking updates, and briefings to stakeholders, including technical workgroup members and Council members, although there may be some capacity for efficiencies in this process should a GIS capability be implemented;
- Maintaining the forecast updates on the CFC website to ensure timely and public access to forecast data and tracking, although there may be some capacity for efficiencies in this process should a GIS capability be implemented; and
- Evaluating the accuracy of the forecast over time using established performance measures.

The information systems interface workload will involve the following:

- Modifying the existing K12 forecast process to maximize efficiencies offered with technology in order to produce the additional forecasts required in this bill;
- Making and maintaining any necessary changes to the existing technological interface in order to access data at a district level;
- Making and maintaining any necessary changes to the processes/systems necessary to organize/manipulate the data into a format that is usable for district level forecasting purposes;
- Revising and maintaining the appropriate data sharing agreements that govern the receipt and use of such data;
- Revising and maintaining the appropriate information technology security measures needed to adequately safeguard the security of the data; and
- Potentially developing/implementing/maintaining a GIS solution in determining district level forecasts.

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.

Accurate, unbiased, and well understood caseload forecasts allow state budget resources to be properly allocated to fulfill entitlement obligations and policy intent, and to determine available resources for other state priorities. The CFC currently produces 23 caseload forecast categories for formal adoption to the Council, the vast majority of which are comprised of a number of sub-forecasts bringing the total number of forecasts produced to over 200. Included in this workload is the associated management and interface of the data necessary to complete these forecasts.

Although the CFC is already forecasting the statewide enrollment levels for K-12 education, there is no additional capacity among current staff to assume the additional workload associated with this bill. It is possible that a district level forecast could be achieved by proportioning the statewide enrollment forecasts to each district according to its relative size. It is also possible that a district level forecast will require the same level of detail as currently provided in the statewide enrollment forecasts, which would require 295 individual forecasts of each of the following components: 1) specific grade level (Kindergarten through 12th grade) forecasts by headcount; 2) specific grade level (Kindergarten through 12th grade) forecasts by FTE; 3) Running Start enrollment; 4) ancillary services; 5) special education; and 6) bilingual education. Because it is presently unclear what level of forecast detail will be required with this bill, the costs associated are indeterminate.

Ongoing costs would be calculated as follows for each FTE: current average salary of Senior Caseload Forecaster positions (\$95,872); benefits at 25% of salary costs (\$23,968); and goods and services (\$10,000), and travel (\$500), at the average cost per FTE based on actual expenditures during the 2013-15 biennium. Depending on the number of FTEs needed, total costs associated with additional staff could range from \$138,590 (1.0 FTE) to \$1,588,830 (12.0 FTEs) or more.

In addition, it is estimated that there are a number of one-time costs, including up to \$250,000 for an IT vendor contract to modify existing processes so that efficiencies offered by technology can be maximized in order to minimize the number of ongoing staff required (\$170,000) and to produce a GIS solution (\$80,000) for the district-level forecasts. In addition, workspace modifications would be needed to accommodate additional staff (please see the note on office space below).

Note about current office space: The CFC is currently located on the 4th floor of the Capitol Court building. Existing space may not be sufficient for more than 2.0 or 3.0 additional FTEs. The CFC would need to work with the Department of Enterprise Services to determine the extent to which it is possible to add the appropriate number of workspaces to the existing space and may need to consider a different location if workspace is deemed to be insufficient.

Part III: Expenditure Detail

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: 2573 E 2S HB AMS EDU S4970.1	Title: Teacher shortage	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 2016	FY 2017	2015-17	2017-19	2019-21
Account					
General Fund-State 001-1	0	2,487,000	2,487,000	2,430,000	500,000
Total \$	0	2,487,000	2,487,000	2,430,000	500,000

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: Alia Kennedy	Phone: 360-786-7405	Date: 02/26/2016
Agency Preparation: Mike Woods	Phone: 360 725-6283	Date: 02/27/2016
Agency Approval: Mike Woods	Phone: 360 725-6283	Date: 02/27/2016
OFM Review: Kate Davis	Phone: (360) 902-0570	Date: 02/27/2016

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.

This version contains a striker. Much of the new language is similar to the language in E2SSB 6455 H-4561.2.

Summary of Impacts In This Version:

Section 1

Subject to an appropriation for this purpose, the Office of the Superintendent of Public Instruction (OSPI), in consultation with school and educational service district personnel, shall develop and implement a comprehensive, statewide initiative to increase the number of qualified individuals who apply for teaching positions in Washington. In developing the initiative OSPI, in partnership with the Employment Security Department (ESD), shall:

- a) Include a teacher recruitment component that targets individuals with teaching certificates who are not employed as teachers, undergraduate college students who have not chosen a major, out-of-state teachers, military personnel and their spouses, and other groups;
- b) Incorporate certificated positions into ESDs existing web-based depository for job applications;
- c) Create or enhance a website that provides useful information to individuals who are interested in teaching in Washington; and
- d) Other actions as needed.

Section 2

Subject to an appropriation for this purpose, the Workforce Training and Education Coordinating Board, in collaboration with the Professional Educator Standards Board (PESB) shall work with the Washington Student Achievement Council (WSAC), OSPI, districts, and others to develop and disseminate information designed to increase recruitment into approved residency teacher preparation programs. This section expires July 1, 2019.

Section 3

The PESB shall write rules that identify an expedited professional certification process for experienced if the teacher holds a valid certificate issued by the National Board for Professional Teaching Standards.

Section 4

In addition to the requirements in Section 3. A professional certificate must be issued to a teacher if the teacher has a continuing or advanced level certificate from another state or that state's equivalent, issued by the other state; or the teacher has a continuing or advanced level certificate that allows the individual to teach internationally.

Sections 5 and 6

The standards established in section 4 terminate June 30, 2021 and are repealed effective June 30, 2022.

Section 7

Adds a new section to RCW 41.32 (Teacher's Retirement). In addition to post retirement options available in RCW 41.32.802 or 41.32.862, and only until August 1, 2020, a teacher in plans 2 or 3 who has retired under the alternate early retirement provisions may be employed with an employer that has documented a shortage of certificated substitute teachers may be employed for up to 630 hours per school year if the retired teacher is employed as a substitute teacher. The employing school district must compensate substitute teachers at a level

that is at least equal to the full daily amount allocated by the state to the district for substitute teacher compensation.

Section 8

The PESB shall coordinate meetings between school districts that do not have alternate route programs and the nearest public or private higher education institutions with a PESB approved teacher preparation program.

Section 9

By July 1, 2018, each institution of higher education with a PESB approved residency teacher preparation program must develop a plan describing how the institutions will partner with school districts. The plans must be updated at least biennially. No impact to OSPI.

Section 10

The Beginning Educator Support Team (BEST) program is expanded to support candidate in alternative route programs. OSPI shall notify districts about the BEST program and encourage districts to apply for funds.

The BEST grant award criteria are expanded to include district with a large influx of beginning classroom teachers.

Section 11

In State Fiscal Year 2017, OSPI in collaboration with the PESB and higher ed institutions, shall develop mentor training program goals for the institutions to use in their teacher preparation program curricula. This section expires July 1, 2019.

Section 12

Changes to the definition of caseload for the Caseload Forecast Council.

Section 13

Expands the eligibility for participation on the Conditional Scholarship grant program.

Section 14

No later than January 1, 2026 the Joint Legislative Audit and Review Committee (JLARC) must review this program to determine its effectiveness.

Section 15

State universities, colleges, and community colleges may waive all or a portion of the tuition and services and activities fees for K-12 classified staff employed at public common and vocational schools.

Sections 16 and 17

The legislature intends to examine expanding family leave policies as one policy choice that could make the teaching profession more attractive. JLARC shall conduct an analysis of the costs and impacts associated with maternity and paternity leave for K-12 certificated classroom teachers. JLARC is to report its findings to the legislature by January 1, 2017.

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.

See attachments for details.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
A-Salaries and Wages		96,000	96,000	96,000	
B-Employee Benefits		49,000	49,000	49,000	
C-Professional Service Contracts		2,315,000	2,315,000	2,265,000	500,000
E-Goods and Other Services		10,000	10,000	10,000	
G-Travel		10,000	10,000	10,000	
J-Capital Outlays		7,000	7,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$2,487,000	\$2,487,000	\$2,430,000	\$500,000

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.

E2SHB 2573 S4970.1 Impacts

Section	OSPI Impacts	School District Impacts
<p>Section 1 Subject to an appropriation for this purpose, the Office of the Superintendent of Public Instruction (OSPI), in consultation with school and educational service district personnel, shall develop and implement a comprehensive, statewide initiative to increase the number of qualified individuals who apply for teaching positions in Washington. In developing the initiative OSPI, in partnership with the Employment Security Department (ESD), shall:</p> <ul style="list-style-type: none">a) Include a teacher recruitment component that targets individuals with teaching certificates who are not employed as teachers, undergraduate college students who have not chosen a major, out-of-state teachers, military personnel and their spouses, and other groups;b) Incorporate certificated positions into ESDs existing web-based depository for job applications;c) Create or enhance a website that provides useful information to individuals who are interested in teaching in Washington; andd) Other actions as needed.	<ul style="list-style-type: none">a) Teacher Recruitment Campaign – Consistent with OSPI’s Teacher Shortage Decision package and our fiscal note on HB 2573, OSPI estimates the initiative would cost the following in State Fiscal Years 2017 and 2018:<ul style="list-style-type: none">i. OSPI staff (1 FTE Recruitment program Director and .5 FTE Admin Assistant 3) to administer the program including contracts for medial campaign, development of the website, an development of the recruitment and hiring services system. \$172,000 in SFY17 and \$165,000 in SFY 18.ii. Contracts with media/marketing firm(s). \$1,765,000 per year. Includes contract(s) for media relations, public relations council, marketing executive (\$690K/yr). Outreach to current and recent graduates including paid advertising, career fairs and social media (\$725K/yr). Outreach to out-of-state educators including job fairs, social media, and paid advertising (\$350K/yr).b) No impact to OSPI.c) Enhanced website – Consistent with our Decision Package and previous fiscal note:<ul style="list-style-type: none">i. \$400K in SFY17 and \$250K in SFY18 for a site with information on Washington teacher preparation programs; careers in teaching; why you should teach in Washington (video testimonials); how to become a teacher; blog/social media; other resources.	<p>No impact to districts.</p>
<p>Section 2 Subject to an appropriation for this purpose, the Workforce Training and Education Coordinating Board, in collaboration with the Professional Educator Standards Board (PESB) shall work with the</p>	<p>No impact to PESB.</p>	

Washington Student Achievement Council (WSAC), OSPI, districts, and others to develop and disseminate information designed to increase recruitment into approved residency teacher preparation programs. This section expires July 1, 2019.		
Section 3 The PESB shall write rules that identify an expedited professional certification process for experienced if the teacher holds a valid certificate issued by the National Board for Professional Teaching Standards.	No impact to PESB.	
Section 4 In addition to the requirements in Section 3. A professional certificate must be issued to a teacher if the teacher has a continuing or advanced level certificate from another state or that state's equivalent, issued by the other state; or the teacher has a continuing or advanced level certificate that allows the individual to teach internationally.	No impact to PESB.	
Sections 5 and 6 The standards established in section 4 terminate June 30, 2021 and are repealed effective June 30, 2022.		
Section 7 Adds a new section to RCW 41.32 (Teacher's Retirement). In addition to post retirement options available in RCW 41.32.802 or 41.32.862, and only until August 1, 2020, a teacher in plans 2 or 3 who has retired under the alternate early retirement provisions may be employed with an employer that has documented a shortage of certificated substitute teachers may be employed for up to 630 hours per school year if the retired teacher is employed as a substitute teacher. The employing school district must compensate substitute teachers at a level that is at least equal to the full daily amount allocated by the state to the district for substitute teacher compensation.	<p>The current (2015-16 school year) substitute teacher allocation rate is \$151.86 per day. This bill does not change the allocation rate, so no impact on allocation expenditures.</p> <p>The Office of the Superintendent of Public Instruction (OSPI) assumes districts using retired teachers as substitutes will be required to pay all their substitutes (not just the retired teachers hired as substitutes) at least the allocation rate.</p> <p>OSPI will incur an indeterminate increase in expenditures for substitute reimbursement for substitutes hired as a result of RCW 28A.300.035. That statute provides that OSPI shall reimburse districts for substitutes whenever OSPI or the State Board of Education (SBE) requests the service of any certificated or classified school employee formed for</p>	<p>Section 7 sets criteria under which retired teachers could work as substitute teachers.</p> <p>Indeterminate impacts to districts statewide.</p> <p>OSPI assumes this section sets the minimum rates for all the substitute teachers hired by a district using retired teachers as substitutes, not just the retired teachers acting as substitutes.</p> <p>The current (2015-16 school year) state allocation for substitutes is \$151.86 per day. Districts set their own policies regarding pay for</p>

	<p>the purpose of furthering education in the state, and such service would result in the need for the district to employ a substitute.</p> <p>Substitute teacher rates are determined by local districts. OSPI does not have each district's rate information. But OSPI does predict an increase in reimbursement costs based on a small random sample of RCW 28A.300.035 reimbursements. In that sample, OSPI found daily rates ranged from \$119.56 to \$210.00, with an average daily rate of \$152.72. 45% of the districts in the sample paid below the proposed rate, and 55% paid above the proposed rate. OSPI paid a total of \$141,602 in reimbursements in SFY15.</p> <p>OSPI assume districts paying less than the allocation rate will need to increase their rates, and therefore OSPI's reimbursement costs will increase for some of the substitute teachers hired under RCW 28A.300.035. The amount of the increase is indeterminate. OSPI cannot predict which districts will provide teachers to serve on OSPI and SBE workgroups, nor can we predict how local districts will change their rates.</p>	<p>substitutes. OSPI does not collect the information. However, OSPI does reimburse districts for the use of substitutes in certain situations (RCW 28A.300.035). Based on a random review of a small sample of reimbursements, OSPI found the daily rates ranged from \$119.56 to \$210.00, with an average daily rate of \$152.72. 45% of the districts in the sample paid below the proposed rate, and 55% paid above the proposed rate.</p> <p>Districts using retired teachers as substitutes and that pay below the proposed rate will see an increase in substitute costs. The actual amount will be dependent on the number of subs needed and the current rate paid by districts.</p>
<p>Section 8 The PESB shall coordinate meetings between school districts that do not have alternate route programs and the nearest public or private higher education institutions with a PESB approved teacher preparation program.</p>	No impact to the PESB.	
<p>Section 9 By July 1, 2018, each institution of higher education with a PESB approved residency teacher preparation program must develop a plan describing how the institutions will partner with school districts. The plans must be updated at least biennially. No impact to OSPI.</p>	No impact to OSPI or the PESB.	
<p>Section 10 The Beginning Educator Support Team (BEST)</p>	No impact to OSPI.	No fiscal impact to districts.

<p>program is expanded to support candidate in alternative route programs. OSPI shall notify districts about the BEST program and encourage districts to apply for funds.</p> <p>The BEST grant award criteria are expanded to include district with a large influx of beginning classroom teachers.</p>	<p>Changes to BEST allocation criteria would be managed by staff currently assigned to the BEST program.</p>	<p>The total value of BEST awards would remain the same, but the mix of grantees may change to reflect revised allocation criteria.</p>
<p>Section 11 In State Fiscal Year 2017, OSPI in collaboration with the PESB and higher ed institutions, shall develop mentor training program goals for the institutions to use in their teacher preparation program curricula. This section expires July 1, 2019.</p>	<p>Consistent with its Fiscal Note on PSHB 2881 (Sections 503 and 608(4)), OSPI assumes a one-time appropriation of \$150,000 for this purpose. Expenditures would include a mix of OSPI staffing and contracts for technical assistance.</p>	
<p>Section 12 Changes to the definition of caseload for the Caseload Forecast Council.</p>	<p>No impact to OSPI.</p>	
<p>Section 13 Expands the eligibility for participation on the Conditional Scholarship grant program.</p>	<p>No impact. Assumes program would redistribute existing resources.</p>	
<p>Section 14 No later than January 1, 2026 the Joint Legislative Audit and Review Committee (JLARC) must review this program to determine its effectiveness.</p>	<p>No impact to OSPI.</p>	
<p>Section 15 State universities, colleges, and community colleges may waive all or a portion of the tuition and services and activities fees for K-12 classified staff employed at public common and vocational schools.</p>	<p>No impact to OSPI.</p>	
<p>Sections 16 and 17 The legislature intends to examine expanding family leave policies as one policy choice that could make the teaching profession more attractive. JLARC shall conduct an analysis of the costs and impacts associated with maternity and paternity leave for K-12 certificated classroom teachers. JLARC is to report its findings to the legislature by January 1, 2017.</p>	<p>OSPI assumes it would provide only information currently available, and would not need to collect additional information. No impact to OSPI.</p>	

E2SHB 2573 S4970.1 Summary of Impacts

OSPI Impact

Section:						
	SFY17	SFY18	SFY19	SFY20	SFY21	Notes
1(a) Teacher Recruitment Campaign						
OSPI Staffing	\$172,000	\$165,000				
Contracts	\$1,765,000	\$1,765,000				
Total	\$1,937,000	\$1,930,000		\$0	\$0	\$0
1(c) Create or Enhance Website						
Contract	\$400,000	\$250,000	\$250,000	\$250,000	\$250,000	
7 Subsitute Teacher Reimbursement						
	Minimal Indeterminate	Minimal Indeterminate	Minimal Indeterminate	Minimal Indeterminate	Minimal Indeterminate	
11 Mentor Training Program Goals						
Contracts	\$150,000					Based on approp in Sections 503 and 608(4) PSHB 2881
Total OSPI Impact	\$2,487,000	\$2,180,000	\$250,000	\$250,000	\$250,000	

Individual State Agency Fiscal Note

Bill Number: 2573 E 2S HB AMS EDU S4970.1	Title: Teacher shortage	Agency: 376-The Evergreen State College
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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:

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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: Alia Kennedy	Phone: 360-786-7405	Date: 02/26/2016
Agency Preparation: Steve Trotter	Phone: (360) 867-6185	Date: 02/26/2016
Agency Approval: Steve Trotter	Phone: (360) 867-6185	Date: 02/26/2016
OFM Review: Cherie Berthon	Phone: 360-902-0659	Date: 02/27/2016

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.

-Section 2 requires the workforce training and education coordinating board to work with institutions of higher education to develop and implement a statewide public awareness campaign designed to increase recruitment into teacher preparation programs through existing dissemination channels. Evergreen assumes that costs would be minimal ranging between \$3,000 to \$5,000 in 2017.

-Section 3 requires the professional education standards board (PESB) to create and administer a recruitment specialist grant program to hire or contract with a recruitment specialist. The purpose of the recruitment specialist is to assist colleges and universities in a focused effort to recruit individuals who are from traditionally underrepresented groups among teachers in Washington when compared to the common schools. Fiscal impact will be for the addition of two new admissions counselors and support budgets. For purposes of this fiscal note we assume that the intent is to do this outreach effort each year and that funding would be provided through grants administered by PESB.

Section 7 would require the college to seek approval from PESB and if approved implement a new alternate route program by September 1, 2016. Since Evergreen currently does not participate in an alternative route program there would be sizable fiscal impact to develop and implement such a program. If Evergreen were to add an alternative route program, it would be operated separately from our current Master in Teaching program. Based on the guidance provided by PESB when promoting their alternative route block grants for this academic year, we assume for purposes of this fiscal note we would serve an alternative route cohort of 20-25 students. We are also not making any assumptions about revenues from either block grants from PESB or tuition collections. Instead this note focuses only on costs. The development and gaining approval from PESB will require some upfront development costs. We estimate that that our Director of our Masters in Teaching program would develop the program and would work directly with PESB to gain approval in FY 2016. We assume that this upfront costs would be equivalent to .2FTE of the director's time. Beginning in 2017, the college would hire two new continuing faculty to teach the 20-25 student cohort. We would also need resources tied specifically to the alternative route program to market and recruit students. In addition a .5FTE staff support position would be added to address the administrative and certification responsibilities, and to capture and analyze assessment data as required by PESB.

Section 8 would require the college to develop a plan to describe how the college will partner with local school districts. Updates to the plan would be required at least biennially. We assume that this would cost \$5,000 in FY 17 and every odd-numbered year thereafter.

Section 9 would require the college to work with OSPI to develop new mentor training program goals to be used in our teacher preparation program curricula. We estimate fiscal impact of \$5,000 to cover staff time and travel costs to participate in the workgroup meetings. Once the state-wide workgroup completes the goals, the college would be encouraged to develop and implement curricula to meet the mentor training program goals. We estimate that it would take one adjunct faculty member a year to develop a modified training program, and then tapering to 25% time thereafter to implement the new mentor training component.

Section 12 creates a future teachers conditional scholarship and loan repayment program. Section 10 creates a student teaching residency grant program. Although the administration of the grant program would be handled by OSPI, Evergreen's financial aid office will need to apply the grant to a student's financial aid package as well

as providing OSPI information for their administration of the program. Furthermore financial aid office will need to carefully apply grants from this program in ways that ensure that there isn't a reduction in a student's federal or state grants, including Pell grants, state need grants, college bound scholarship, or opportunity scholarships. Evergreen estimates that a .25 FTE financial aid counselor would be needed meet this expectation.

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 fiscal impact of this bill is indeterminate as written.

Part III: Expenditure Detail

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: 2573 E 2S HB AMS EDU S4970.1	Title: Teacher shortage	Agency: 540-Employment Security Department
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Part I: Estimates

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No Fiscal Impact

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 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: Alia Kennedy	Phone: 360-786-7405	Date: 02/26/2016
Agency Preparation: Yacob Zekarias	Phone: 360-902-0023	Date: 02/26/2016
Agency Approval: Yacob Zekarias	Phone: 360-902-0023	Date: 02/26/2016
OFM Review: Devon Nichols	Phone: (360) 902-0582	Date: 02/26/2016

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.

Requires the superintendent of public instruction to: (1) Develop and implement a comprehensive, statewide initiative to increase the number of qualified individuals who apply for teaching positions in the state; and (2) Develop mentor training program goals for the institutions to use in their teacher preparation program curricula.

Requires the workforce training and education coordinating board to develop and disseminate information designed to increase recruitment into professional educator standards board-approved teacher preparation programs.

Requires the professional educator standards board to create and administer the recruitment specialists grant program to provide funds to professional educator standards board-approved teacher preparation programs.

Requires each institution of higher education with a professional educator standards board-approved alternate route teacher certification program to develop a plan describing how the institution will partner with school districts regarding placement of resident teachers.

Requires the office of student financial assistance to: (1) Develop and administer the teacher shortage conditional grant program as a subprogram within the future teachers conditional scholarship and loan repayment program; and

(2) Administer a student teaching residency grant program to provide additional funds to individuals completing student teaching residencies at public schools in this state.

Establishes the teacher shortage conditional grant program, within the future teachers conditional scholarship and loan repayment program, to be administered by the office of student financial assistance.

Authorizes, under certain circumstances and in addition to postretirement employment options, a teacher in plan 2 or plan 3 who has retired under alternate early retirement provisions to be employed with an employer that has documented a shortage of certificated substitute teachers.

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.

No fiscal impact. ESD currently does similar work. It can provide the necessary assistance to OSPI.

Part III: Expenditure Detail

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: 2573 E 2S HB AMS EDU S4970.1	Title: Teacher shortage	Agency: SDF-School District Fiscal Note - SPI
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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:

☐

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: Alia Kennedy	Phone: 360-786-7405	Date: 02/26/2016
Agency Preparation: Mike Woods	Phone: (360) 725-6283	Date: 02/27/2016
Agency Approval: Mike Woods	Phone: (360) 725-6283	Date: 02/27/2016
OFM Review: Kate Davis	Phone: (360) 902-0570	Date: 02/27/2016

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.

Changes in E2SHB 2573 S4970.1 compared to the previous version (E2SHB 2573):

This version is a striker. Much of the new language is similar to E2SSB 6455 H-4561.2.

Summary of E2SHB 2573 S4970.01 - Sections That Have A Fiscal Impact School Districts:

Section 7

Adds a new section to RCW 41.32 (Teacher's Retirement). In addition to post retirement options available in RCW 41.32.802 or 41.32.862, and only until August 1, 2020, a teacher in plans 2 or 3 who has retired under the alternate early retirement provisions may be employed with an employer that has documented a shortage of certificated substitute teachers may be employed for up to 630 hours per school year if the retired teacher is employed as a substitute teacher. The employing school district must compensate substitute teachers at a level that is at least equal to the full daily amount allocated by the state to the district for substitute teacher compensation.

Section 10

The Beginning Educator Support Team (BEST) program is expanded to support candidate in alternative route programs. OSPI shall notify districts about the BEST program and encourage districts to apply for funds.

The BEST grant award criteria are expanded to include district with a large influx of beginning classroom teachers.

Section 11

By June 15th of each year, school districts shall report to OSPI the number of classroom teachers the districts project will be hired in the following year.

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.

Section 7 sets the criteria under which retired teachers could work as substitute teachers. Indeterminate impacts to districts statewide.

OSPI assumes this section sets the minimum rates for all the substitute teachers hired by a district using retired teachers as substitutes, not just the retired teachers acting as substitutes.

The current (2015-16 school year) state allocation for substitutes is \$151.86 per day. Districts set their own policies regarding pay for substitutes. OSPI does not collect the information. However, OSPI does reimburse districts for the use of substitutes in certain situations (RCW 28A.300.035). Based on a random review of a

small sample of reimbursements, OSPI found the daily rates ranged from \$119.56 to \$210.00, with an average daily rate of \$152.72. 45% of the districts in the sample paid below the proposed rate, and 55% paid above the proposed rate.

Districts using retired teachers as substitutes and that pay below the proposed rate will see an increase in substitute costs. The actual amount will be dependent on the number of subs needed and the current rate paid by districts.

Section 10 changes to BEST program grant award criteria.

The total value of BEST awards would remain the same, but the mix of grantees may change to reflect revised allocation criteria.

Section 11 - By June 15th of each year, school districts shall report to OSPI the number of classroom teachers the districts project will be hired in the following year. Cost to report should be minimal. Districts could report what they know as of June 15th of each year, which may or may not be the final information

Part III: Expenditure Detail

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.