

Multiple Agency Fiscal Note Summary

Bill Number: 2985 S HB PL	Title: Educational space inventory
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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
Superintendent of Public Instruction	.1	0	0	.0	0	0	.0	0	0
Total	0.1	\$0	\$0	0.0	\$0	\$0	0.0	\$0	\$0

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

Agency Name	2015-17		2017-19		2019-21	
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
School District Fiscal Note - SPI	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Superintendent of Public Instruction	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Total \$	\$0	\$0	\$0	\$0	\$0	\$0

Prepared by: Gene Emmans, OFM	Phone: (360) 902-3068	Date Published: Final 3/15/2016
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 44552

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 2985 S HB PL	Title: Educational space inventory	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
FTE Staff Years	0.0	0.1	0.1	0.0	0.0
Account					
Total \$					

Estimated Capital Budget Impact:

Non-zero but indeterminate cost. Please see discussion.

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:	Phone:	Date: 03/14/2016
Agency Preparation: Randy Newman	Phone: 360 725-6267	Date: 03/15/2016
Agency Approval: Gordon Beck	Phone: (360) 725-6261	Date: 03/15/2016
OFM Review: Gene Emmans	Phone: (360) 902-3068	Date: 03/15/2016

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.

The bill would exclude from the inventory of available education space when determining school construction assistance any space replaced by new construction which is used for all-day kindergarten (ADK) or class size reduction in kindergarten through third grade if the lack of facilities warrant there use. In addition, space replaced by new construction will also be excluded if a district is experiencing a short-term special school housing burden due to enrollment growth and failed school construction bond elections within the prior five years. The time period for the exclusion when determining state assistance is valid July 1, 2016 through June 30, 2021.

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 impact to cash receipts.

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 impact to the operating budget.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years		0.1	0.1		
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
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:	\$0	\$0	\$0	\$0	\$0

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2016	FY 2017	2015-17	2017-19	2019-21
Administrative Program Specialist 2	60,017		0.1	0.1		
Total FTE's	60,017		0.1	0.1		0.0

Part IV: Capital Budget Impact

Non-zero but indeterminate cost. Please see discussion.

School Construction Assistance Program (SCAP)

The fiscal impact to SCAP allowing school districts to reuse previously vacated instructional inventory and excluding the associated square feet when determining SCAP funding eligibility is indeterminate because it's not known how many school districts will reuse previously vacated instructional space as the school district deemed the space not suitable for instruction when it was vacated. Below is an example of how the SCAP would be impacted if a district who has funding eligibility for new space was to bring space previously vacated and continued to use the space after the exclusion period outlined in the proposed bill.

District A eligibility calculation before June 30, 2021

1,000 Elementary Students X 90 Square Feet Per Student (Student Space Allocation) = 90,000 Square Feet State Funding Area Calculation - 60,000 Square Feet School District Elementary Facility Inventory (Does not include a 35,000 facility brought back into use as allowable by the proposed legislation) = 30,000 Square Feet of "unhoused" eligibility for new construction funding.

SCAP Funding Impact

30,000 "Unhoused" Eligibility X \$213.23 Construction Cost Allocation X 60% District A's Financial Assistance Percentage = \$3,838,140 State Funding Assistance

District A eligibility calculation After June 30, 2021

1,000 Elementary Students X 90 Square Feet Per Student (Student Space Allocation) = 90,000 Square Feet State Funding Area Calculation - 95,000 Square Feet School District Elementary Facility Inventory (60,000 square feet + 35,000 square feet facility brought back into use and continues to be in use after June 30, 2021) = 5,000 Square Feet "overhoused" eligibility which means the district does not qualify for new construction funding.

SCAP Funding Impact

Zero Impact to SCAP because the District A would not qualify for funding for new construction.

OSIP Administration

Currently, OSPI tracks school facility inventory in its Inventory and Condition of Schools (ICOS) data system and any changes to the way school facilities are counted or tracked would need to be reflected in ICOS. In order to track space brought back into use by a school district after it has removed the space from its instructional inventory will require modifications to ICOS. OSPI estimates it will cost \$4,000 (40 hours of contractual information technology support) in fiscal year 2017 to make the necessary modifications to ICOS to track space to be excluded from SCAP eligibility calculations.

In addition, OSPI would need to develop rules to allow instructional space returned to a district's inventory to be eligible to be modernized with state funding and comply with asset preservation rules. OSPI estimates it would take 0.10 FTE to write the rules in consultation with stakeholders. The estimated cost of implementing new rules is \$10,000 in fiscal year 2017.

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.

OSPI will need to create rules to allow instructional space brought back into use by a school district to be eligible for future state SCAP modernization funding and comply with asset preservation rules.

Individual State Agency Fiscal Note

Bill Number: 2985 S HB PL	Title: Educational space inventory	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:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

Estimated Capital Budget Impact:

Non-zero but indeterminate cost. Please see discussion.

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:	Phone:	Date: 03/14/2016
Agency Preparation: Randy Newman	Phone: 360 725-6267	Date: 03/15/2016
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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.

The bill would exclude from the inventory of available education space when determining school construction assistance any space replaced by new construction which is used for all-day kindergarten (ADK) or class size reduction in kindergarten through third grade if the lack of facilities warrant there use. In addition, space replaced by new construction will also be excluded if a district is experiencing a short-term special school housing burden due to enrollment growth and failed school construction bond elections within the prior five years. The time period for the exclusion when determining state assistance is valid July 1, 2016 through June 30, 2021.

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.

The amount of funding received from the School Construction Assistance Program (SCAP) could be impacted if a district brings instructional space back into use and continues to use the space for instruction after June 30, 2021. See Capital Budget Impact Section for an example of how this proposed legislation could impact a district's eligibility for state funding assistance.

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.

Districts who bring back instructional space previously vacated might incur costs to bring the space up to current student safety standards. Also, districts will incur costs (utilities, janitorial, maintenance and repair costs) associated with the daily operation of the school facility brought back into use. The costs incurred will vary among districts depending on the condition and type of space brought back into use. The impact to school district operating budgets is indeterminate because its not known how many districts will bring facilities back into use and what facilities will be returned to the instructional inventory.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

NONE

Non-zero but indeterminate cost. Please see discussion.

School Construction Assistance Program (SCAP) Funding Impact

The fiscal impact of allowing school districts to reuse previously vacated instructional inventory and excluding the associated square feet when determining SCAP funding eligibility is indeterminate because it's not known how many school districts will reuse previously vacated instructional space as the school district deemed the space not suitable for instruction when it was vacated. Below is an example of how a district's SCAP funding assistance would be impacted if a district who has funding eligibility for new space was to bring space previously vacated and continued to use the space after the exclusion period outlined in the proposed bill.

District A eligibility calculation before June 30, 2021
1,000 Elementary Students X 90 Square Feet Per Student (Student Space Allocation) = 90,000 Square Feet State Funding

Area Calculation - 60,000 Square Feet School District Elementary Facility Inventory (Does not include a 35,000 facility brought back into use as allowable by the proposed legislation) = 30,000 Square Feet of "unhoused" eligibility for new construction funding.

SCAP Funding Assistance Impact

30,000 "Unhoused" Eligibility X \$213.23 Construction Cost Allocation X 60% District A's Financial Assistance

Percentage = \$3,838,140 State Funding Assistance

District A eligibility calculation After June 30, 2021

1,000 Elementary Students X 90 Square Feet Per Student (Student Space Allocation) = 90,000 Square Feet State Funding

Area Calculation - 95,000 Square Feet School District Elementary Facility Inventory (60,000 square feet + 35,000 square feet facility brought back into use and continues to be in use after June 30, 2021) = 5,000 Square Feet "overhoused" eligibility which means the district does not qualify for new construction funding.

SCAP Funding Assistance Impact

District A would not qualify for \$3.8 million in funding for new construction if it applied for state assistance after June 30, 2021 and continued to use the space brought back into use during the exclusionary time period (July 1, 2016 - June 30, 2021).

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 required rule changes.