

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1893 HB	<b>Title:</b> Postsecondary student assist
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## Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Social and Health Services	0	73,000	0	62,000	0	62,000
<b>Total \$</b>	<b>0</b>	<b>73,000</b>	<b>0</b>	<b>62,000</b>	<b>0</b>	<b>62,000</b>

Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other						
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Social and Health Services	.6	94,000	167,000	.5	62,000	124,000	.5	62,000	124,000
Community and Technical College System	Non-zero but indeterminate cost and/or savings. Please see discussion.								
<b>Total \$</b>	<b>0.6</b>	<b>94,000</b>	<b>167,000</b>	<b>0.5</b>	<b>62,000</b>	<b>124,000</b>	<b>0.5</b>	<b>62,000</b>	<b>124,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

NONE

<b>Prepared by:</b> Anna Minor, OFM	<b>Phone:</b> (360) 902-0541	<b>Date Published:</b> Final 2/26/2019
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1893 HB	<b>Title:</b> Postsecondary student assist	<b>Agency:</b> 300-Department of Social and Health Services
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2020	FY 2021	2019-21	2021-23	2023-25
General Fund-Federal 001-2	42,000	31,000	73,000	62,000	62,000
<b>Total \$</b>	42,000	31,000	73,000	62,000	62,000

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.7	0.5	0.6	0.5	0.5
<b>Account</b>					
General Fund-State 001-1	63,000	31,000	94,000	62,000	62,000
General Fund-Federal 001-2	42,000	31,000	73,000	62,000	62,000
<b>Total \$</b>	105,000	62,000	167,000	124,000	124,000

*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: Trudes Tango	Phone: 360-786-7384	Date: 02/04/2019
Agency Preparation: Chris Chung	Phone: 360-902-7769	Date: 02/13/2019
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/13/2019
OFM Review: Anna Minor	Phone: (360) 902-0541	Date: 02/15/2019

## 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 3 requires the Department of Social and Health Services (DSHS) to pursue necessary waivers to allow on-campus food retail establishments to accept federal Supplemental Nutrition Assistance Program (SNAP) benefits in the form of Electronic Benefit Transfer (EBT) cards. The section also specifies an expiration date in the event no such waiver is granted.

Section 4 requires DSHS to identify educational programs at community and technical colleges that would meet the employment and training requirements of the Washington Basic Food Program in collaboration with the State Board for Community and Technical Colleges (SBCTC).

Section 6 requires DSHS to provide a written notice in the event a federal waiver is not granted.

### 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.*

For required modifications to Information Technology (IT) systems, DSHS anticipates a federal match of 27 percent based on the current cost allocation.

For quality control, compliance, and administrative staff, DSHS anticipates a SNAP operations match of 50 percent.

### 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.*

#### 1. Implementation date

DSHS assumes an implementation date of January 1, 2020, with appropriate waivers granted from federal authorities.

#### 2. IT implementation costs

This proposal requires modifications to IT systems, such as new resource or income identifiers and eligibility processing rule changes. In order to gather requirements, develop automated solutions, perform testing, and promote coding changes, DSHS requires 0.1 FTE IT Specialist 5 and \$12,000 (\$9,000 GF-State) in staffing as well as \$31,000 (\$22,000 GF-State) for IT contractor costs in Fiscal Year (FY) 2020.

#### 3. SNAP quality control costs

An implementation of a waiver described in section 3 of this bill would require DSHS to audit approximately 200 additional cases per year to maintain compliance with SNAP rules. Section 4 directs DSHS to develop criteria to review newly defined state-approved employment and training programs. DSHS estimates this workload will require 0.4 FTE Management Analyst (MA) 4 in FY 2020 and 0.5 FTE MA 4 in FY 2021 and

every year thereafter. These costs are \$35,000 (\$18,000 GF-State) in FY 2020 and \$62,000 (\$31,000 GF-State) in FY 2021 and every year thereafter.

#### 4. SNAP waiver management, inter-agency coordination, and compiling legislative reports

This proposal requires DSHS to submit and negotiate waivers to SNAP rules, coordinate with SBCTC and the Washington Student Achievement Council, prepare quarterly legislative reports, and identify existing educational programs that meet the education and training requirements under SNAP rules. DSHS estimates this workload will require 0.2 FTE WMS Band 2 and \$27,000 (\$14,000 GF-State) in FY 2020.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	63,000	31,000	94,000	62,000	62,000
001-2	General Fund	Federal	42,000	31,000	73,000	62,000	62,000
<b>Total \$</b>			105,000	62,000	167,000	124,000	124,000

### III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.7	0.5	0.6	0.5	0.5
A-Salaries and Wages	56,000	37,000	93,000	74,000	74,000
B-Employee Benefits	12,000	19,000	31,000	38,000	38,000
C-Professional Service Contracts	31,000		31,000		
E-Goods and Other Services	4,000	3,000	7,000	6,000	6,000
G-Travel	1,000	2,000	3,000	4,000	4,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	1,000	1,000	2,000	2,000	2,000
9-					
<b>Total \$</b>	105,000	62,000	167,000	124,000	124,000

### III. C - Operating FTE 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 2020	FY 2021	2019-21	2021-23	2023-25
IT Specialist 5	89,964	0.1		0.1		
Management Analyst 4	73,884	0.4	0.5	0.5	0.5	0.5
WMS Band 2	107,760	0.2		0.1		
<b>Total FTEs</b>		0.7	0.5	0.6	0.5	0.5

### III. D - Expenditures By Program (optional)

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Economic Services Administration (060)	105,000	62,000	167,000	124,000	124,000
<b>Total \$</b>	105,000	62,000	167,000	124,000	124,000

## Part IV: Capital Budget Impact

NONE

N/A

**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.*

This bill requires new and amended rules.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1893 HB	<b>Title:</b> Postsecondary student assist	<b>Agency:</b> 699-Community and Technical College System
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

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:

- ☒ 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: Trudes Tango	Phone: 360-786-7384	Date: 02/04/2019
Agency Preparation: Brian Myhre	Phone: 360-704-4413	Date: 02/25/2019
Agency Approval: Cherie Berthon	Phone: 360-704-1023	Date: 02/25/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 02/26/2019

## 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 provides for several initiatives to help postsecondary students remain enrolled in college.

#### Section 1

This section would establish the Emergency Assistance Grant Program. The program is to provide monetary aid to students of community and technical colleges that are experiencing unforeseen emergencies or situations that affect the student's ability to attend classes.

The State Board for Community and Technical Colleges (SBCTC) is to administer a competitive grant process. The SBCTC shall establish eligibility criteria for colleges to apply for grants under the program.

Community and technical colleges shall use grant funds to provide students emergency aid in the form of monetary grants to assist students. Examples of emergency aid include: for purchasing food, paying for utilities, rent, transportation, child care or other goods and services a student needs to continue to attend classes.

The SBCTC must begin accepting applications for the grant program by December 1, 2019.

Beginning December 1, 2020, the SBCTC must submit a report to the legislature. The report is to include identifying the colleges receiving grants and their grant amounts and summarize how funds were distributed to students, the number of students receiving aid, amounts they received and the emergency conditions for which funds were granted.

#### Section 3

Would require the Department of Social and Health Services (DSHS) to consult with the Washington State Student Achievement Council and the SBCTC to seek all necessary exemptions and waivers from federal statutes, rules and regulations that would allow Washington's public and private institutions of higher education to:

- Accept supplemental nutrition assistance program benefits in the form of an electronic benefit transfer (EBT) card at the institutions' on-campus food retail establishment
- Allow postsecondary students who are eligible for the State Need Grant Program to be eligible for the supplemental nutrition assistance program

#### Section 4

For the purposes of promoting a community and technical college students' eligibility for the Washington basic food program, this section would require the Department of Social and Health Services (DSHS) to consult with the SBCTC to identify educational programs that would meet the requirements of state-approved employment and training programs.

### 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.*

Indeterminate expenditure impacts. While the costs to administer the grant program can be quantified, the costs for the grants is unknown. Administrative costs and grant costs are discussed below.

Under the provisions of this bill, the SBCTC would be required to administer a competitive grant program that would provide grants to community and technical colleges. These grants would be used by colleges to provide monetary emergency aid to students. There would be costs for the SBCTC and the colleges to carry out the program and costs for the grants provided to the colleges.

#### SBCTC COSTS

In order to establish the grant program, develop eligibility criteria for colleges to apply for grants, select grant recipients, and submit annual reports, it is estimated the SBCTC will need 0.1 FTE of a Policy Analyst.

0.1 FTE Policy Associate X \$114,000 Salary & Benefits = \$11,000 (rounded to nearest thousand)

#### COLLEGE COSTS

Colleges would need staff time to develop proposals to apply for grants, distribute grants funds to eligible students and maintain records to show how the funds were distributed to students. College records would include information on the number of students receiving funds, the amounts provided to students and the emergency conditions for which the funds were granted. On average, it is estimated this would take 0.1 FTE of a Financial Aid Counselor per college or 3.4 FTE in total for the system.

3.4 FTE Financial Aid Counselor X \$70,000 Salary and Benefits = \$238,000 (rounded to nearest thousand)

#### GRANT COSTS

While the size of grants to colleges cannot be known, potential cost and scenarios are shown in the examples below:

For the purposes of this fiscal note, it is assumed that emergency monetary aid would be offered to economically disadvantaged students that are not already receiving or connected to DSHS support programs. It is estimated that this would result in 53,000 potentially eligible students.

Providing 50% of the economically disadvantaged students enrolled at the community and technical colleges that are not already connected to DSHS services with emergency monetary aid would result in 26,500 students receiving funds. If an average emergency assistance grant of \$500 per students per year were provided, \$13,250,000 would need to be awarded to the colleges ( $26,500 \times \$500 = \$13,250,000$ ).

Providing 25% of the economically disadvantaged students enrolled at the community and technical colleges that are not already connected to DSHS services with emergency monetary aid would result in 13,000 students receiving funds. If an average emergency assistance grant of \$250 per students per year were provided, \$3,250,000 would need to be awarded to the colleges ( $13,000 \times \$250 = \$3,250,000$ ).

### Part III: Expenditure Detail

### 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 required.