

Multiple Agency Fiscal Note Summary

Bill Number: 6505 SB	Title: Dual credit direct costs
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Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Washington State University	0	0	0	(15,916)	0	(253,992)
Eastern Washington University	0	0	0	(474,975)	0	(949,950)
Eastern Washington University	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.					
Central Washington University	0	0	0	(9,467)	0	(60,826)
Central Washington University	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.					
Community and Technical College System	0	0	0	(5,580,000)	0	(12,004,000)
Community and Technical College System	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.					
Total \$	0	0	0	(6,080,358)	0	(13,268,768)

Local Gov. Courts						
Loc School dist-SPI	Fiscal note not available					
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
Student Achievement Council	.1	16,000	16,000	.1	32,000	32,000	.1	16,000	16,000
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Washington State University	.0	0	0	.1	5,788	5,788	.2	23,150	23,150
Eastern Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Central Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
The Evergreen State College	.0	0	0	.0	0	0	.0	0	0
Western Washington University	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	.0	6,000	6,000	.0	12,000	12,000	.0	32,826,000	32,826,000
Total \$	0.1	22,000	22,000	0.2	49,788	49,788	0.3	32,865,150	32,865,150

Local Gov. Courts									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Student Achievement Council	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Eastern Washington University	.0	0	0	.0	0	0	.0	0	0
Central Washington University	.0	0	0	.0	0	0	.0	0	0
The Evergreen State College	.0	0	0	.0	0	0	.0	0	0
Western Washington University	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Includes WSAC, reflects foregone revenue in the fiscal table for EWU, and fund source update for WSU.

Prepared by: Breann Boggs, OFM	Phone: (360) 902-0659	Date Published: Preliminary 1/30/2020
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Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 340-Student Achievement Council
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.1	0.1	0.1	0.1
Account					
General Fund-State 001-1	0	16,000	16,000	32,000	16,000
Total \$	0	16,000	16,000	32,000	16,000

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: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Heather Hudson	Phone: 360-753-7823	Date: 01/30/2020
Agency Approval: Don Bennett	Phone: 360-753-7810	Date: 01/30/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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 includes two components that would have a fiscal impact on the Washington Student Achievement Council (WSAC): Participation in a task force convened by the Office of the Superintendent of Public Instruction (OSPI); and WSAC collaboration with OSPI on a centralized process for sharing income on student income status with higher education institutions.

1. The bill directs OSPI to establish a task force to provide research and data to the Legislature (Section 6)
 - By August 1, 2020 the task force must be convened
 - By January 1, 2021 the task force must provide first report describing direct charges incurred by student participation in dual credit programs
 - By August 1, 2021 the task force must submit a report with recommendations for increasing the number of teachers for College in the High School (CiHS); leveraging existing funds to support small/remote/rural schools; and guidelines for institutions of higher education regarding transcription of dual credit
 - By August 1, 2022 the task force must submit a report with recommendations on expanding access to career and technical education (CTE) dual credit opportunities
 - By August 2, 2023 the task force must submit a final report with recommendations on proposed statutory or rule changes, and to ensure full implementation of act
2. The bill also directs WSAC to collaborate with OSPI on developing a centralized process for school districts to provide students' low-income status to institutions of higher education (Section 2(5))
 - Implementation of 2019 legislation amended in Section 2 that will be ongoing in light of changes in this bill.

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.

Staff time and expertises required to carry out the responsibilities assigned to WSAC:

FY 2021 to 2024: 0.1 FTE Assistant Director to participate in the dual credit task force and collaborate with OSPI on student income data sharing process.

Staff time estimates are rounded to the nearest .1 FTE and employee-related costs are rounded to the nearest \$1000.

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	0	16,000	16,000	32,000	16,000
Total \$			0	16,000	16,000	32,000	16,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years		0.1	0.1	0.1	0.1
A-Salaries and Wages		9,000	9,000	18,000	9,000
B-Employee Benefits		2,000	2,000	4,000	2,000
C-Professional Service Contracts					
E-Goods and Other Services		4,000	4,000	8,000	4,000
G-Travel		1,000	1,000	2,000	1,000
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 \$	0	16,000	16,000	32,000	16,000

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
Assistant Director	87,000		0.1	0.1	0.1	0.1
Total FTEs			0.1	0.1	0.1	0.1

III. D - Expenditures By Program (optional)

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Policy Coordination & Administration (010)		16,000	16,000	32,000	16,000
Total \$		16,000	16,000	32,000	16,000

Part IV: Capital Budget Impact**IV. A - Capital Budget Expenditures**

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 350-Superintendent of Public Instruction
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Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: TJ Kelly	Phone: 360 725-6301	Date: 01/27/2020
Agency Approval: Michelle Matakas	Phone: 360 725-6019	Date: 01/27/2020
OFM Review: Cynthia Hollimon	Phone: (360) 902-0562	Date: 01/30/2020

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.

Senate Bill 6505 – OSPI Dual Credit:

Section 2 establishes a timeline of prohibitions for charging running start students' fees for participation. Beginning with the 2022-23 school year, institutions of higher education must waive all fees for running start students, except for those fees voted on by the institution of higher education's associated student body. Beginning with the 2023-24 school year, institutions of higher education must ensure that running start students are not charged for the costs of any books, fees, and/or supplies required for the course in which the student is enrolled.

Section 3 applies an inflationary index of the implicit price deflator to the per credit reimbursement rate for college in the high school. The bill requires OSPI to post the per credit reimbursement rate on its website by July 1 each year for the subsequent school year. Beginning with the 2022-23 school year, school districts must use state or local funds, in compliance with RCW 28a.150.276, or appropriate local funds, to ensure tuition fees and any other direct costs for participating in the college in the high school program are not charged to students. It allows ninth graders to enroll and participate in the college in the high school program.

Section 4 states that beginning with the 2021-22 school year, any school district that offers an exam-based dual credit course must ensure that students are not charged for direct costs associated with the course or related exam. Direct costs are defined as fees, books, or other supplies required for participation in an exam-based dual credit course or program.

Section 5 states that beginning with the 2022-23 school year, any district that offers a CTE dual credit program must ensure that students enrolled are not charged direct costs associated with the course.

Section 6 creates a dual credit task force to be convened by the Office of Superintendent of Public Instruction by August 1, 2020. The task force must produce a series of reports to the legislature with the following due dates: January 1, 2021; August 1, 2021; August 1, 2022; and August 1, 2023. The components and requirements of each report are described in section 6 of the bill.

Section 7 reiterates that ninth graders can participate in college in the high school instruction. Bill states that institutions of higher learning may charge tuition fees per credit for each student enrolled in college in the high school at a maximum of \$65 per quarter credit to be adjusted for inflation using the implicit price deflator. School districts must ensure that tuition and fees for college in the high school students are not charged to students and families.

Section 8 Offers definitions for the bill for the terms of "concurrent enrollment dual credit" and "exam-based dual credit".

Section 9 provides an expiration date of section 3 of this act of July 1, 2022.

Section 10 provides an effective date of section 7 of this act of July 1, 2022.

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 6 Task Force:

OSPI assumes the task force meetings will be held at OSPI; that task force members will be representing their organizations as part of their official duties and will not receive travel reimbursement from OSPI; and that OSPI staff work to support the task force is consistent with current duties related to dual credit opportunities programs. Therefore no fiscal impact.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 360-University of Washington
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. 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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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Lauren Hatchett	Phone: 2066167203	Date: 01/23/2020
Agency Approval: Kelsey Rote	Phone: 2065437466	Date: 01/23/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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.

SB 6505 would expand access to dual credit programs by eliminating direct costs to students and families.

Section 2 would allow institutions of higher education that operate a running start program to continue, through the 2021-22 school year, to charge students. Beginning in the 2022-23 school year, fees must be waived for running start students, except for fees voted on by the institution of higher education's student body.

Section 3 would remove language allowing institutions of higher education to charge tuition fees to College in the High School students. School districts would be required to use appropriate local, state, and federal funds to pay tuition fees and any other direct costs for participating students beginning in the 2022-23 school year. This section would expire on July 1, 2022.

Section 6 would create a dual credit task force where a person knowledgeable about baccalaureate institution finances must participate.

Section 7 restates much of what is outlined in Section 3 and includes the elimination of the current subsidy program for College in the High School. Additionally, this section sets the parameters by which institutions of higher education may charge tuition fees and how school districts may use appropriate funds to pay for enrolled students. These amendments would take effect on July 1, 2022.

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.

SECTION 2

The University of Washington does not operate running start programs; and therefore, this section would have no fiscal impact on the University.

SECTION 3

In this section, language allowing institutions of higher education to charge tuition fees to participating College in the High School students is removed (Section 3(5)(a)). This section would also add a requirement that school districts use state, federal or local funds, beginning in the 2022-23 school year, to cover fees and other direct costs for participating students. Because the sentence permitting colleges to charge fees is removed, it is unclear if the UW in the High School program will be allowed to charge students, and who is responsible for paying tuition related fees during FY21 and FY22. Based on the intent of the bill, we assume that higher education institutions will continue to charge participating students, and therefore this section would not impact cash receipts.

SECTION 7

Due to the significant changes to the funding structures for all dual credit programs in this bill, and specifically College in the High School as proposed in this section, it is unknown how high schools and colleges will respond

to market changes. We assume that these changes would impact enrollment, but associated cash receipts (negative or positive) are indeterminate and likely greater than \$50,000.

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 6

It is unknown if a representative from the University of Washington would be asked to serve on the dual credit task force, and therefore, potential FTE assumptions are not included in this section.

SECTION 7

Because the UW in the High School program is self-sustaining, any increase in cash receipts would lead to an equal increase/decrease in expenditures relating to program enrollment. Therefore, the fiscal impact is indeterminate.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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*
NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods
NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 365-Washington State University
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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
Institutions of Higher Education - Other Enterprises Account-Non-Appropriated 570-6				(15,916)	(31,832)
Institutions of Higher Education - Agency Account-Non-Appropriated 840-6					(222,160)
Total \$				(15,916)	(253,992)

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.0	0.0	0.1	0.2
Account					
General Fund-State 001-1	0	0	0	5,788	23,150
Total \$	0	0	0	5,788	23,150

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 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: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Emily Green	Phone: 5093359681	Date: 01/30/2020
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 01/30/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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.

Bill 6505 SB – Dual Credit Direct Costs expands access to dual credit opportunities by eliminating direct costs to students and families.

Sec 2 (2) (iii) adds language to the RCW that beginning with the 2022-23 school year, institutions of higher education must waive all fees for running start students, except for those fees voted on by an institution of higher education's student body.

Sec 2 (3) states that beginning with the 2023-24 school year, institutions of higher education must ensure running start students are not charged for the costs of any books, fees, and/or supplies required for the course in which a student is enrolled.

This bill would cost WSU \$21,704 in FY23. This fiscal impact would increase to \$138,571 in FY24 when WSU would be required to assume all fees, book costs, and other fees required for students in the running start program.

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.

Cash Receipt impact based on FY20 Running Start enrollment. Estimate assumes that an AAFTE is based on 24-30 credits per year.

Fees Waived under this bill :

1. Fees collected from Running Start Students = \$8,138.
2. Placement exam costs assumes that one-half of FY enrollment were incoming students. This costs out to 91.5(headcount) x \$85 (ALEKS and Writing Placement Fees) = \$7,778

This bill would require WSU to ensure that RS students are not charged for the cost of any books beginning in the 2023-24 Academic Year; this would cost WSU: 116 (FY20 AAFTE) x \$960 (annual book cost) = \$111,080.

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.

This bill would require an administrative assistant to manage book purchases, distribution, and students accounts. This responsibility would increase from .10 FTE to .20 FTE in FY24 when the program begins to waive book and administrative fees.

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	0	0	0	5,788	23,150
Total \$			0	0	0	5,788	23,150

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years				0.1	0.2
A-Salaries and Wages				3,900	15,600
B-Employee Benefits				1,888	7,550
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	5,788	23,150

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
Administrative Assistant	39,000				0.1	0.2
Total FTEs					0.1	0.2

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact**IV. A - Capital Budget Expenditures**

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Revised

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 370-Eastern Washington University
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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
Institutions of Higher Education - Dedicated Local Account-Non-Appropriated 148-6				(49,275)	(98,550)
Institutions of Higher Education - Bookstore Account-Non-Appropriated 524-6				(425,700)	(851,400)
Total \$				(474,975)	(949,950)

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. 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.

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

Legislative Contact: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Alexandra Rosebrook	Phone: (509) 359-7364	Date: 01/30/2020
Agency Approval: Alexandra Rosebrook	Phone: (509) 359-7364	Date: 01/30/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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 1 states that the intent of the bill is to eliminate the gaps in access to and completion of dual credit programs and costs should not be a barrier for any basic education student.

Section 2 (1) amends existing statute RCW 28A.600.310 allowing 11 and 12 grade students or students without a high school diploma to enroll in courses or programs offered by the institution of higher education. The courses must be open for matriculated students and may not be courses existing solely for high school students. Home-based instructed students may apply through the established admissions standards. If the higher education institution accepts one of these students the institution must notify the pupil's and pupil's school district within 10 days of acceptance.

Section 2 (2) amends running start fees through the 2021-2022 school year institutions may charge a fee of up to 10% of tuition and fees as defined in RCW 28B.15.020 and 28B.15.041 in addition to technology fees. Beginning with 2022-2023 school year, institutions must waive all fees for running start students except for those fees voted on by an institution of higher education's student body.

Section 2 (3) beginning with the 2023-24 school year, institutions must ensure running start students are not charged for the costs of books, fees, and/or supplies required for the course in which a student is enrolled.

Section 2 (4) determination of whether a student is competent to benefit from the running start program is determined by the institution. School districts may not apply any requirements preventing or delaying a student's enrollment into a running start program.

Section 3(1)(d)(i) the maximum per quarter credit tuition fee for credit-bearing postsecondary coursework is \$65 per quarter credit adjusted for inflation using the implicit price deflator for the fiscal year 2019 as the base, as compiled by the bureau of labor statistics, United States department of labor for the state of Washington, which must be posted on the Office of the Superintendent of Public Instruction website by July 1st of each year.

Section 3(5) amends the college in the high school program must meet the accreditation standards in RCW 28B.10.035. Beginning in the 2022-2023 school year, school districts must use state or local funds, in compliance with RCW 28A.150.276, or appropriate federal funds, to ensure tuition fees and any other direct costs for participating in the college in the high school program are not charged to students. The college in the high school program is modified to include both 9th and 10th grade students in addition to 11th and 12th grade students, information must be provided to 8th grade students in addition to high school students.

Section 6 creates a dual credit task force, which is required to be convened by the Office of Superintendent of Public Instruction by August 1, 2020. OSPI or designee will serve as the chair on the task force which include representatives from the council of president's and a person knowledgeable about baccalaureate institution finances. By January 1, 2021 the task must provide a report to the appropriate committees of the legislature. This section expires on December 31, 2023.

Section 9 is a July 1, 2022 expiration date for Section 3.

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.

Section 2(2)

Eastern will be required to waive all fees, including books, course fees and other supplies, for running start students except those voted on by students starting academic year 2022-2023.

Eastern currently operates a student book loan program for running start students who participate in the free or reduced lunch programs, which accounts for approximately 28% of our running start students. The annual average enrollment for FY19 running start students was 657. We will assume that these 473 students (72%*657) purchase books (at \$300 per quarter or \$900) per year 473*900 costing these running start students \$425,700 in books. Eastern's bookstore sell some of these books to students but students are likely purchasing books from other sources. We estimate are our bookstore would lose \$425,700 per year based on FY2019's enrollment would be waived beginning in academic year 2022-2023. Based on these estimates it would be a \$425,700 cost to the institution that needs to be paid by the state or the school district.

Course fees are also paid for by the student which we estimate to be about \$25 per quarter or \$75 per year (657*75) for a total of \$49,275 per year, which would be an additional waiver or uncollected revenue. This is a true cost to the institution that needs to be paid by the state or the school district.

Section 3

Eastern would anticipate some increased participation by expanding the eligibility to high school ninth graders, though that number cannot be predicted. For every additional students that participates in the program at an average course load of 5 credits per quarter, Eastern would expect additional cash receipts of \$325 per participating student (\$65 per credit * 5 credit average course load).

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 3

It is unknown, but assumed that by expanding eligibility, Eastern would see an increase in both costs to deliver the program as well as revenues that will result in increased participation. Any increase in program revenues collected would be used to deliver college course credit in the participating high school. Fiscal impact is indeterminate.

Section 6

A task force is created, which is chaired by the Office of Superintendent of Public Instruction. If a representative from Eastern is on the task force the travel costs for meetings on the West side of the state will be \$300 - Airfare, \$75 Rental Car, \$23 Lunch, Parking \$11 or \$409 per day trip. We will assume that the time to prepare for the meetings and actual travel time will be absorbed into the staff duties. We currently do not know how many meetings the task force will convene, therefore the fiscal impact is indeterminate.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.
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III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.
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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*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 375-Central Washington University
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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
Institutions of Higher Education - Dedicated Local Account-Non-Appropriated 148-6				(9,467)	(18,934)
Institutions of Higher Education - Bookstore Account-Non-Appropriated 524-6					(41,892)
Total \$				(9,467)	(60,826)

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. 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: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Lisa Plesha	Phone: (509) 963-1233	Date: 01/28/2020
Agency Approval: Lisa Plesha	Phone: (509) 963-1233	Date: 01/28/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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.

SB 6505 would make changes to the direct costs paid by Running Start and College in the High School students.

Section 2 (2)(a)(iii) Beginning in the 2022-23 school year, CWU must waive all fees for running start students, except for those fees voted on by the student body. Section 2 (3) Beginning in the 2023-24 school year, CWU must ensure RS students are not charged for the cost of any books, fees, and/or supplied required for the courses the student is enrolled in. Section 2 (4) A student's competence to benefit from the RS program is within the sole jurisdiction of CWU.

Section 3 (1)(d) (old language is stricken) (i) The maximum per quarter credit tuition fee for credit-bearing postsecondary coursework [under the College in the High School Program] is \$65 per quarter credit, adjusted for inflation, and (ii) will be calculated by OSPI by July 1st of each year and posted to its website. Section 3 (5) The CiHSP must meet the accreditation standards established in RCW 28B.10.035. Section 3 (5)(a) strikes language about the per credit charge not exceeding the allocation or subsidy. Section 3 (5)(b) Beginning in 2022-23 school year, school districts must use state, local or appropriated funds to ensure students are not directly charged for CiHSP. Section 3 (5)(f) expands eligible participation in CiHSP to Ninth graders.

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.

Beginning in the 2022-23 school year, CWU must waive all fees for running start students, except for those fees voted on by the student body. This will include all course related fees, including the fee charged to deliver online courses. CWU does not charge any mandatory fees, except the Technology Fee, which is a fee voted on by the student body.

Beginning in the 2023-24 school year, CWU must ensure RS students are not charged for the cost of any books, fees, and/or supplies required for the courses the student is enrolled in.

In the 2018-2019 school year, Running Start students paid \$9,467 in course related fees, including the \$40/course online course fee. To estimate the amount paid by Running Start students on books/supplies is much more difficult. One way to estimate those charges is to look at Running Start student accounts that took advantage of charging their book/supplies to their student account. These estimations do not include students who paid for their books/supplies directly at the bookstore. In the 2018-2019 school year, those Running Start students that charged their books/supplies to their student account had total bookstore charges of \$20,946.

In that same year, there were 202 students participating in Running Start during fall quarter, 201 in winter quarter and 197 in spring quarter.

In fall quarter of the 2019-2020 academic year, there were a total of 238 student participants. Given the increase in participation from fall 2018 to fall 2019 it is assumed the total amount of course fees and bookstore charges will increase as well. Due to the unknown nature of annual participation increases, costs associated with foregone course fee and bookstore revenues related to compliance with these new requirements are indeterminate at this time.

The maximum per quarter credit tuition fee for credit-bearing postsecondary coursework [under the College in the High School Program] is \$65 per quarter credit, adjusted for inflation, and will be calculated by OSPI by July 1st of each year and posted to its website. Under the new per credit maximums it is possible CWU would see some increase in CiHSP course revenue as we are currently charging \$55/credit. However, it is not clear whether OSPI would set the initial rate at \$65 per credit or whether the eventual cap would be at \$65. CWU would anticipate some increased participation by expanding eligibility to high school ninth graders, though that number cannot be predicted. For every additional student that participates in the program at an average course load of 5 credits per quarter, CWU could expect additional cash receipts of \$325 per additional student participating. (\$65 per credit * 5 credit average course load).

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.

Beginning in 2022-23 school year, school districts must use state, local or appropriated funds to ensure students are not directly charged for CiHSP. Because the new language only shifts the responsibility for course payment directly from the student to the school district, CWU does not anticipate any loss of revenue or additional costs associated with these changes.

It is unknown, but assumed that by expanding eligibility to ninth graders, CWU would see an increase in both costs to deliver the program as well as revenues that will result in increased participation. Any increase in program revenues collected would be used to deliver college course credit in the participating high school. Fiscal impact is indeterminate.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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*
NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 376-The Evergreen State College
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Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Laura Coghlan	Phone: (360) 867-6510	Date: 01/27/2020
Agency Approval: Holly Joseph	Phone: 360-867-6652	Date: 01/27/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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 revises existing financial policy and adds new sections to limit the tuition fees, mandatory fees, costs of books and supplies, and class-specific fees that participating higher education institutions may charge high school students participating in dual enrollment programs. It further resets the current minimum allocation and subsidy amount of sixty-five dollars per credit for post-secondary coursework to be the maximum per quarter tuition fee rate. The bill also expands eligibility to participate in dual enrollment programs to ninth graders. New section 6 creates a dual credit task force to be convened in FY21 to analyze and report on direct charges for dual enrollment programs.

Evergreen identifies no direct fiscal impact from the new limits on tuition fees and other related educational expenses, nor from the expansion of eligibility to ninth graders, since the college does not currently offer any dual enrollment programs. We further assume that we would not be the postsecondary institution tapped to provide a task force member knowledgeable about baccalaureate institution finances (sec.6.3.f), since we do not have experience providing Running Start or other dual enrollment programs. Should that assumption be incorrect, there would be fiscal impact of task force participation during FY21.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

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.

Pursuant to Sec. 2(2.iii): New mandatory waivers of tuition and fees for running start students establish a waiver category that is not currently authorized in RCW 28B.15; furthermore, if a statute was added to RCW 28B.15 to define this new waiver, it would warrant a cross-reference within RCW 28B.15.910 to clarify whether this is a state-supported or self-sustaining waiver and whether waived tuition fees would count within the group of waivers with institutional limitations on proportion of total operating dollars which can be waived. Should the bill language be revised to reframe the funding for this section without reference to tuition and fee charges and tuition waivers, then the need for new rule addressing this tuition waiver would be unnecessary.

Sec. 2(3) mandates that higher education institutions cover the costs of required books, supplies, and class-specific fees for dual enrollment students. A new rule may be needed in RCW 28B.15, WAC, and /or SAAM to make explicit the ability to gift state funds to students to cover such expenses. Required course materials, such as books, supplies, field trip costs, etc., are often paid to non-public entities, such as retail businesses or non-profits. Using public institution funds to purchase supplies for a student goes beyond the arena of foregone revenue and into the venue of purchasing from non-public entities on behalf of an individual. In order to ensure accounting and audit compliance for such purchases, a rule explicitly permitting such gift aid may be needed. Should the bill be revised to clarify that OSPI will provide institutions with grant dollars to cover such costs, then the need for a rule to permit college to expend funds to cover class-specific books and fees would be unnecessary.

Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 380-Western Washington University
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Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Kristen Stouder	Phone: (360) 650-2811	Date: 01/24/2020
Agency Approval: Ted Castro	Phone: (360) 650-4694	Date: 01/24/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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.

Western Washington University does not operate a College in the High School program and would not be impacted by this bill.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 6505 SB	Title: Dual credit direct costs	Agency: 699-Community and Technical College System
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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
Institutions of Higher Education - Grant and Contracts Account-Non-Appropriated 145-6				(5,580,000)	(11,160,000)
Institutions of Higher Education - Dedicated Local Account-Non-Appropriated 148-6					(844,000)
Total \$				(5,580,000)	(12,004,000)

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
Account					
General Fund-State 001-1	0	6,000	6,000	12,000	32,826,000
Total \$	0	6,000	6,000	12,000	32,826,000

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: Ben Omdal	Phone: 360-786-7442	Date: 01/21/2020
Agency Preparation: Cherie Berthon	Phone: 360-704-1023	Date: 01/30/2020
Agency Approval: Brian Myhre	Phone: 360-704-4413	Date: 01/30/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 01/30/2020

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 change several aspects of the way dual credit programs are funded to ensure that students do not pay out-of-pocket for fees, books, or supplies required for participation in dual credit programs

Section 2 – Beginning in the 2022-23 academic year, institutions of higher education must wave all fees for Running Start students, except for those fees voted on by an institution of higher education's student body. Beginning in 2023-24, institutions of higher education must ensure running start students are not charged for the costs of any books, fees, and/or supplies required for the courses in which a student is enrolled.

Section 3 – College in the High School funding rate is maintained at \$65 dollars, however rather than reviewing the rate every four years, it will be increased annually by inflation.

Section 6 – A dual credit task force is created which would include at least one person from the community and technical college system. Meetings would begin by August 1, 2020 and continue until late 2023.

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.

This bill would result in negative cash receipts due to the requirement that colleges no longer charge fees to any Running Start students. Currently, low-income Running Start students are eligible for a fee waiver described in RCW 28A.600.310(5).

In 2018-19, there were 23,447 Running Start FTE in the community and technical colleges. Approximately 24% (5,563) of these students received a low-income fee waiver. Therefore, we assume colleges would lose fee revenue from the remaining 17,884 student FTE.

In 2018-19, on average, community and technical colleges waived \$104 in fees for low-income students each quarter or \$312 annually. This amount excludes student-voted fees, assumed to be \$50 per quarter or \$150 annually on average.

$\$312 \text{ fees} \times 17,884 \text{ student FTE} = \$5,580,000$ cash receipts lost annually (rounded to thousands) beginning in the 2022-23 academic year or the 2023 fiscal year.

Beginning in 2023-24 (FY 2024) the colleges could no longer charge course or lab fees to Running Start Students. It is difficult to obtain data on the number and amount of course or lab fees paid by students in the community and technical college system. For the purposes of this fiscal note, we assume 20% of Running Start students pay a \$30 course or lab fee each quarter (\$90 per year).

$\$90 \text{ annual fees} \times 4,689 \text{ full-time students} = \$422,000$ cash receipts lost annually (rounded to thousands) beginning in the 2023-24 academic year or the 2024 fiscal year.

College in the High School Rate

This bill does not change the current College in the High School rate, but rather than reviewing the rate every four years, the Superintendent of Public Instruction will increase the rate annually by inflation. It is not known whether the review every four years would result in a rate change significantly different than the rate change provided by inflation, therefore this element of the bill is indeterminate.

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.

This bill would require colleges to provide books and supplies free of charge to all Running Start students beginning in 2023-24. Most colleges have shifted bookstore operations to third-party contractors such as Barnes and Noble. Therefore, they do not have the option to purchase textbooks at a wholesale rate. Further, many textbook publishers have transitioned to selling one-time use codes, with which students may access electronic books and material. This reduces the number of textbooks that may be loaned to students. Additionally, faculty change textbooks frequently to stay up to date, limiting the number of times books can be lent to students.

The Washington Financial Aid Foundation's student budget for 2019-20 assumes full-time students should budget \$900 per year for books and supplies. Assuming colleges can create some cost efficiencies that students individually cannot, we estimate colleges would spend \$700 per full-time Running Start student each year.

$\$700 \text{ books and supplies} \times 23,447 \text{ student FTE} = \$16,413,000 \text{ annual expenditures (rounded to thousands)}$
beginning in the 2023-24 academic year or the 2024 fiscal year.

Dual Credit Taskforce

We assume there will be 4 meetings per year from 2020 to 2023. It is assumed meetings will be all day meetings. It is anticipated that, for each hour of meeting time, there will need to be 2 hours of time for preparation, research, follow-up and communication with colleges in the system.

Meeting time and preparation:

$4 \text{ meetings} \times 8 \text{ hours per meeting} = 32 \text{ meeting hours per year}$

$32 \text{ meeting hours} \times 2 \text{ prep hours per meeting} = 64 \text{ prep hours per year}$

Total Meeting Hours: $32 + 64 = 96 \text{ hours}$

SBCTC Policy Analyst = \$57 per hour Salary & Benefits

$\$57 \text{ per hour} \times 96 \text{ hours} = \$5,500 \text{ per year through 2023.}$

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	0	6,000	6,000	12,000	32,826,000
Total \$			0	6,000	6,000	12,000	32,826,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					
A-Salaries and Wages		5,000	5,000	10,000	
B-Employee Benefits		1,000	1,000	2,000	
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					32,826,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	6,000	6,000	12,000	32,826,000

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*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact**IV. A - Capital Budget Expenditures**

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required