

Individual State Agency Fiscal Note

Bill Number: 1840 HB	Title: Community colleges/diversity	Agency: 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:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
Account					
General Fund-State 001-1	63,000	979,000	1,042,000	1,127,000	1,000,000
Total \$	63,000	979,000	1,042,000	1,127,000	1,000,000

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.

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Agency Preparation: Cherie Berthon	Phone: 360-704-1023	Date: 01/20/2022
Agency Approval: Cherie Berthon	Phone: 360-704-1023	Date: 01/20/2022
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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.

This bill seeks to improve diversity, equity and mental health at community and technical colleges.

SECTION 2

This section would establish a task force on improving equity and diversity at community and technical colleges. Staff support for the task force is to be provided by the State Board for Community and Technical Colleges.

Members of the task force would include :

- Two members from the Senate
- Two members from the House
- Five members appointed by the Governor, including :
 - Two community and technical college students
 - One president of a community or technical college
 - One faculty member of a community and technical college faculty collective bargaining unit
 - One member of a local or regional workforce development council
- The Executive Director or designee of the State Board for Community and Technical Colleges
- The Executive Director or designee of the Washington Student Achievement Council

The task force is to examine and make recommendations on how equity and diversity can be improved at the community and technical colleges, especially in regard to :

- Faculty compensation and benefits
- Faculty recruitment and retention
- Student persistence and completion
- Financial aid programs and student supports
- How diversity and equity are addressed by higher education state agencies, institutions and boards.

The task force is to submit a preliminary report its findings and recommendations to the Governor and Legislature by November 1, 2022 and a final report to the legislature by November 1, 2023.

SECTION 3

The existing pilot program to increase student access to mental health counseling and services would be expanded to include an additional four community or technical colleges. The pilot program would be extended by one year to July 1, 2026.

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.

This bill would have two cost elements. Costs for participation in and administration of the task force and costs for the

grants to 4 additional colleges.

SECTION 2 - TASK FORCE

A task force would be established on improving equity and diversity at community and technical colleges. Members of the task force include the Director of the State Board, a president of a community or technical college and a faculty member. Staff support for the task force is to be provided by the State Board for Community and Technical Colleges.

Assumptions:

For the purposes of this fiscal note, it is assumed the task force would meet monthly, holding 3-hour meetings from May 2022 to October 2023 (18 meetings). It is assumed that two in-person meeting would be held in FY 2023 and one would be held in FY 2024. The remaining meetings are assumed to be held online.

Travel

It is assumed the Executive Director, two students, one college president and five SBCTC staff would travel to in-person meetings (9 people). Average mileage reimbursement for one in-person meeting is estimated to be \$120 per person, (\$1,080 per meeting) and \$3,240 total.

One meeting in FY 23 would be held in eastern Washington, requiring per diem for staff and participants. The standard per diem is \$155 daily. One day's cost for per diem for 9 participants would be approximately \$1,400.

Travel cost summary:

FY 2023 – \$2,160 mileage + 1,400 per diem

FY 2024 - \$1,080 mileage

Costs to provide staff support to the Task Force

Considering the breadth of issues assigned to the task force, a wide range of SBCTC staff and at least one outside policy expert would be needed. For the purposes of this fiscal note, it is assumed each staff member would spend 40 hours per meeting supporting the Task Force Chair and members, preparing material, conducting analysis, coordinating with stakeholders and coordinating with other policy staff internally. These hours also include drafting the preliminary and final report to the Legislature. For clarity, the staff positions assumed to be needed to support each issue area are broken out below.

- Faculty compensation and benefits & Faculty recruitment and retention: Directors for Human Resources, Operating Budget, Business Operations, and Education Policy (4 positions)
- Student persistence and completion: Director of the Student Success Center, Research Policy Analyst (2 positions)
- Financial aid programs and student supports: Director of Student Service, Financial Aid Policy Associate (2 positions)
- How diversity and equity are addressed by higher education state agencies, institutions and boards: Director of Equity, Diversity and Inclusion, Research Policy Associate, and Student Success Center Policy Associate. (3 positions)
- General direction, oversight and coordination with policy makers would be provided by the Executive Director and the Legislative Director. (2 positions)

For the purposes of this note, it is assumed the average annual salary for these 13 staff is \$125,000. The cost for 13 staff positions to prepare for an attend one meeting is \$31,250. (40 hours =.02 FTE; .02 FTE x \$125,000 = \$2,404; 13 staff X \$2,404 = \$31,250.)

Additionally, analysis of faculty compensation rates in other sectors and other states would require an outside consultant to compile and analyze data from other states. Based on similar contracts, it is assumed the cost for this contract would be

\$100,000 in FY 23.

If outside analysis is needed on new financial aid policies, such as free college, it is estimated that contract would require an additional \$60,000. (Provided for informational purposes. Not included in the fiscal note totals)

Meeting support cost summary:

FY 2022 with 2 meetings = \$62,500

FY 2023 with 12 meetings = \$375,000 + 100,000

FY 2024 with 4 meetings = \$125,000

SECTION 3 - GRANTS TO COLLEGES

ADDITIONAL PILOT PROGRAM GRANTS

The existing pilot program would be expanded to include an additional four community or technical colleges. The pilot program would be extended by one year to July 1, 2026.

Colleges participating in the pilot program would hire qualified faculty counselors to expand mental health counseling and services directly to students.

Colleges selected for the pilot program would require 1.0 FTE of a Faculty Counselor (\$110,000 salary and benefits) with specialized skills in mental health counseling and approximately \$15,000 per year in Goods & Services.

$\$110,000 + \$15,000 = \$125,000$

$\$125,000 \times 4 \text{ colleges} = \$500,000$ ongoing costs from FY 2023 through FY 2026

EXISTING PILOT PROGRAM GRANTS

The pilot program would be extended by one year to July 1, 2026. It is assumed in this fiscal note that participation by colleges currently in the pilot program would also be extended by one year. There are currently 4 colleges participating in the pilot program with each college receiving \$125,000.

$\$125,000 \times 4 \text{ colleges} = \$500,000$ ongoing costs in FY 2026

TOTAL COSTS

FY23 - \$500,000

FY24 - \$500,000

FY25 - \$500,000

FY26 - \$500,000 + \$500,000 = \$1,000,000

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
001-1	General Fund	State	63,000	979,000	1,042,000	1,127,000	1,000,000
Total \$			63,000	979,000	1,042,000	1,127,000	1,000,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years					
A-Salaries and Wages	63,000	815,000	878,000	1,006,000	880,000
B-Employee Benefits					
C-Professional Service Contracts		100,000	100,000		
E-Goods and Other Services		60,000	60,000	120,000	120,000
G-Travel		4,000	4,000	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 \$	63,000	979,000	1,042,000	1,127,000	1,000,000

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

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

Part V: New Rule Making Required