

Multiple Agency Fiscal Note Summary

Bill Number: 5847 E S SB	Title: Public employee PSLF info.
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Estimated Cash Receipts

NONE

Agency Name	2021-23		2023-25		2025-27	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	No fiscal impact					
Local Gov. Other	No fiscal impact					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2021-23				2023-25				2025-27			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Financial Management	.5	193,000	193,000	193,000	1.0	356,000	356,000	356,000	1.0	356,000	356,000	356,000
Department of Retirement Systems	.0	0	0	0	.0	0	0	0	.0	0	0	0
Student Achievement Council	.5	137,000	137,000	137,000	1.0	274,000	274,000	274,000	1.0	274,000	274,000	274,000
University of Washington	.0	72,000	72,000	72,000	.0	144,000	144,000	144,000	.0	144,000	144,000	144,000
Washington State University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Eastern Washington University	.5	66,473	66,473	66,473	1.0	132,946	132,946	132,946	1.0	132,946	132,946	132,946
Central Washington University	.4	43,284	43,284	43,284	.8	86,568	86,568	86,568	.8	86,568	86,568	86,568
The Evergreen State College	.3	46,167	46,167	46,167	1.0	170,480	170,480	170,480	1.0	170,480	170,480	170,480
Western Washington University	.5	75,240	75,240	75,240	1.0	150,480	150,480	150,480	1.0	150,480	150,480	150,480
Employment Security Department	1.0	0	0	262,328	.5	0	0	107,782	.5	0	0	107,782
Community and Technical College System	1.7	350,000	350,000	350,000	3.4	700,000	700,000	700,000	3.4	700,000	700,000	700,000
Total \$	5.4	983,164	983,164	1,245,492	9.7	2,014,474	2,014,474	2,122,256	9.7	2,014,474	2,014,474	2,122,256

Agency Name	2021-23			2023-25			2025-27		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2021-23			2023-25			2025-27		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Department of Retirement Systems	.0	0	0	.0	0	0	.0	0	0
Student Achievement Council	.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
Employment Security Department	.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

Agency Name	2021-23			2023-25			2025-27		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Ramona Nabors, OFM	Phone: (360) 742-8948	Date Published: Final 2/21/2022
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Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 105-Office of Financial Management
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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
FTE Staff Years	0.0	1.0	0.5	1.0	1.0
Account					
General Fund-State 001-1	0	193,000	193,000	356,000	356,000
Total \$	0	193,000	193,000	356,000	356,000

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/16/2022
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 02/16/2022
OFM Review: Tyler Lentz	Phone: (360) 790-0055	Date: 02/21/2022

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Changes in the engrossed substitute bill did not impact OFM's previous fiscal note assumptions.

Sec 2. requires the student loan advocate shall coordinate with OFM, SOS, local government entities, and other relevant agencies and public service employer entities to ensure the public service employers receive materials developed to increase awareness of Public Service Loan Forgiveness Program.

Sec 3. requires OFM to:

- Develop a program for state agencies to certify employment for the purposes of the Public Service Loan Forgiveness Loan Program and assist the student loan advocate in creating and distributing materials designed to increase awareness of the Public Service Loan Forgiveness Program.

- Collaborate with WSAC, ESD, DRS, nonprofit entities, local government representatives, and other public service employers in developing a statewide initiative to improve access and remove barriers to the Public Service Loan Forgiveness Program for all public service employees. The plan for the statewide initiative must be developed and submitted to the higher education committees of the legislature by December 1, 2024.

This bill contains an emergency clause that makes these sections effective immediately once the bill is enacted.

This bill creates the requirement for the Office of Financial Management to develop a program to certify employment with the U.S. Department of Education, and create and distribute materials to bring awareness to the public service loan forgiveness program. This bill impacts Higher Education and State Government agencies.

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.

This bill requires the Office of Financial Management to develop a program to create and distribute materials to bring awareness to the public service loan forgiveness program. This work requires collaboration with the Student Loan Advocate. OFM will be required to provide guidance to state agencies to ensure they follow the informative requirements of the bill.

The substitute bill still represents a new body of work for OFM with regards to the creation of a program described in the bill. SHR assumes the substitute bill requires less work than the original, but will require 1.0 FTE. SHR requests an OFM program manager to help with resource creation, collaboration with the Student Loan Advocate, and coordination with agencies.

The original bill required IT resources to create an application that all public service employers in the state could use to certify PSLF. Since the substitute narrows this particular process to just state agencies, agencies can use existing systems with guidance and materials that OFM will develop. Given this change, OFM believes the ITS Department will no longer have a fiscal impact.

Salaries and benefits: an OFM Program Manager (Exempt) at \$138,000 per year and includes salaries and benefits.

Goods and services: Based on average employee costs, OFM requests ongoing funding for supplies and materials, communications and telecommunications services, training, software licensing and maintenance at \$6,000 per year, per FTE.

Travel: Based on average employee travel, OFM requests ongoing funding for travel associated with this position at \$4,000 per year, per FTE.

Capital Outlays: OFM requests one-time funding for adding a new workspace at \$15,000 per FTE. This includes a workstation, furniture, and computer.

Indirect: OFM pays an indirect fee of approximately \$30,000 per FTE for administrative support associated with implementing this legislation. Support costs include, but are not limited to, IT support, payroll and accounting services, and human resource services.

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	0	193,000	193,000	356,000	356,000
Total \$			0	193,000	193,000	356,000	356,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		1.0	0.5	1.0	1.0
A-Salaries and Wages		105,000	105,000	210,000	210,000
B-Employee Benefits		33,000	33,000	66,000	66,000
C-Professional Service Contracts					
E-Goods and Other Services		6,000	6,000	12,000	12,000
G-Travel		4,000	4,000	8,000	8,000
J-Capital Outlays		15,000	15,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		30,000	30,000	60,000	60,000
9-					
Total \$	0	193,000	193,000	356,000	356,000

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 2022	FY 2023	2021-23	2023-25	2025-27
OFM Program Manager	105,000		1.0	0.5	1.0	1.0
Total FTEs			1.0	0.5	1.0	1.0

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

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules .

The new RCW section requires updates to leave and seniority WACs.

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 124-Department of Retirement Systems
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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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Seth Miller	Phone: 360-664-7304	Date: 02/14/2022
Agency Approval: Tracy Guerin	Phone: 360-664-7312	Date: 02/14/2022
OFM Review: Marcus Ehrlander	Phone: (360) 489-4327	Date: 02/14/2022

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(1)(c) of the engrossed substitute bill identifies that the Office of Financial Management shall collaborate with the Student Achievement Council, the Employment Security Department, the Department of Retirement Systems (DRS), nonprofit entities, local government representatives, and other public service employers in developing a statewide initiative to improve access and remove barriers to the public service loan forgiveness program for all public service employees.

The amendments to SSB 5847 did not change this language so the impact on DRS, described in Part II.C below, remains the same.

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.

Administrative Assumptions:

- DRS' legacy pension administration systems, built in the 1990's, are not set up to certify public employment. Additionally, DRS' systems do not contain a complete "database" of public service employees :
 - public employers only report the employees who work in retirement eligible positions,
 - the cities of Seattle, Tacoma and Spokane administer their own retirement plans, and
 - the Higher Education Retirement Plans do not report information to DRS on the employees in those plans.
- As a result of the prior assumptions, DRS' participation would be limited to the collaboration meeting(s) where the lead agency assumption is that there would be "monthly virtual meetings of an hour until the initiative is finalized in December 2024."
- Since the estimated cost of participating in the meeting (s) would be under \$1,000 a year, it isn't identified in Part III.

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

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	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 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	0.0	1.0	0.5	1.0	1.0
Account					
General Fund-State 001-1	0	137,000	137,000	274,000	274,000
Total \$	0	137,000	137,000	274,000	274,000

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.

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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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Marc Webster	Phone: 360-753-7862	Date: 02/14/2022
Agency Approval: Don Bennett	Phone: 360-485-1088	Date: 02/14/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/14/2022

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 2(1) tasks the Student Loan Advocate, a position within the Washington Student Achievement Council (WSAC), with increasing awareness of the Public Service Loan Forgiveness (PSLF) program, a Federal student loan forgiveness option operated by the Federal Student Aid division of the U.S. Department of Education. Specifically, the Student Loan Advocate must develop a standard letter for all public service employers to send to their employees, a frequently asked questions document, and a fact sheet; these documents must be updated annually as necessary.

Section 2(2) directs the Student Loan Advocate to coordinate with the Office of Financial Management, Secretary of State, local government, and others to ensure public service employers receive the materials and information about PSLF for distribution to their employees. Public service employers are defined as all levels of state and local government, the courts and legislative entities, all non-profit organizations with 501 (c)(3) status, and other employers defined as public service related under Title 20 U.S.C. Sec. 1087e(m) and 34 C.F.R Sec. 685.219 of the US Code, which details the rules for federal student loans.

Section 3(1) requires OFM to collaborate with WSAC and other state agencies in the creation of a statewide initiative to remove barriers to accessing PSLF. Further, it requires OFM to create a program to certify employment for the purposes of the PSLF program for state agencies.

Section 4(1) requires state agencies to provide the materials created by the Student Loan Advocate to employees annually, and within 30 days of starting employment for new hires.

In addition to the staff time and effort to develop and coordinate distribution of information and materials and work on the employer certification process, the broad awareness campaign likely will drive increased workload for the Student Loan Advocate, as more borrowers reach out for assistance in qualifying for, applying, or checking on applications for Public Service Loan Forgiveness.

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.

This bill tasks the Student Loan Advocate (SLA) with conducting an awareness/information campaign on the Public Service Loan Forgiveness (PSLF) program, a loan forgiveness option offered by the U.S. Department of Education for federal student loan borrowers employed in "public service" jobs. This fiscal note estimates the costs for developing information and producing materials for distribution and coordinating with numerous governmental and non-profit entities to distribute materials to public service employers in the state. Additionally, this fiscal note provides a range of indeterminate and more significant impacts from the likely increase in workload to assist student loan borrowers who receive this targeted communication about PSLF.

If the materials developed by the Student Loan Advocate need to be mailed to all potentially impacted employees, or employers, the costs for printing and mailing would be extensive. For the purpose of this fiscal note, we assume that the dissemination of the information can be done electronically.

Developing and distributing materials to all public service employers, coordinating with other public agencies and non-profit organizations, and collaborating with OFM on a program to certify employment for state agency employees and the statewide initiative will require 1.0 FTE Program Administrator in FY23 and ongoing at an annual cost of \$137,000 for salary, benefits, and employee-related goods and services and travel.

The likely increase in workload for the Student Loan Advocate to respond to individual borrower requests for information and assistance that may result from this legislation is indeterminate. We have tried to ascertain the number of employees the definitions in section 2 would cover. Using Bureau of Labor Statistics data, we estimate that there could be as many as 988,000 people who work in one of the covered public service activities, or roughly 1/4 of Washington's civilian labor force. This is a large group of potential participants in PSLF, and even if a very small fraction of them seek assistance, this would drive a much higher workload for the Student Loan Advocate (currently one person/1.0 FTE).

Previous awareness campaigns have driven increased interest in loan forgiveness programs. In 2019, the Attorney General's office emailed approximately 65,000 state employees regarding their experiences with the PSLF program and received over 700 responses, or just over 1% of those contacted. PSLF complaints or requests for assistance are often time-consuming; the Student Loan Advocate estimates that each request requires, on average, about three hours of work.

If we assume a lower percentage of employees targeted by the information campaign reach out to the SLA for assistance - 0.5% for example - that's over 4,900 requests, and at 3 hours per request, that could exceed 14,800 hours of work. With 2,088 hours in a full work year, at least 7.0 FTE Program Associates could be required to respond and assist, assuming some requests would not be acted upon for up to one year. If the response rate is closer to the 1% experience from the 2019 AGO communication with state employees, requests for assistance could exceed 9,800 and require 29,400 hours, or 14.0 FTE Program Associates. The estimated cost of staffing for this workload and service level would range from approximately \$950,000 to \$1.9 million. Presumably, this surge in workload from responses to the first blanket communication would recede to some unknown annual level based on turnover and new hires in eligible public service employment. Section 4 requires employers to provide information to all employees annually and all new employees within 30 days of employment.

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

There is an emergency clause in this version of the bill.

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	0	137,000	137,000	274,000	274,000
Total \$			0	137,000	137,000	274,000	274,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		1.0	0.5	1.0	1.0
A-Salaries and Wages		69,000	69,000	138,000	138,000
B-Employee Benefits		27,000	27,000	54,000	54,000
C-Professional Service Contracts					
E-Goods and Other Services		40,000	40,000	80,000	80,000
G-Travel		1,000	1,000	2,000	2,000
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	137,000	137,000	274,000	274,000

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 2022	FY 2023	2021-23	2023-25	2025-27
Program Associate	69,000		1.0	0.5	1.0	1.0
Total FTEs			1.0	0.5	1.0	1.0

III. D - Expenditures By Program (optional)

Program	FY 2022	FY 2023	2021-23	2023-25	2025-27
Non-Budgeted (850)		137,000	137,000	274,000	274,000
Total \$		137,000	137,000	274,000	274,000

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

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 360-University of Washington
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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	0	72,000	72,000	144,000	144,000
Total \$	0	72,000	72,000	144,000	144,000

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Charlotte Shannon	Phone: 2066858868	Date: 02/17/2022
Agency Approval: Kelsey Rote	Phone: 2065437466	Date: 02/17/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/17/2022

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.

Compared to the original bill the engrossed substitute makes the following changes :

- Section 2 would become effective immediately upon the bill's passage and signature into law.
- Section 3 requires OFM to develop a program for state agencies to certify employment for the purposes of the Public Service Loan Forgiveness program by July 1, 2023.
- Section 4 requires a state agency to provide materials described in section 2 as soon as they are available to new employees annually and newly hired employees within 30 days of the employee's first day of employment.
- Section 4 requires a state agency to certify employment for the purposes of the Public Service Loan Forgiveness program in accordance with the program established in section 3 by July 1, 2023.

Due to the requirement in section 2 to provide notice as soon as materials are available from the Student Loan Advocate, the University of Washington (UW) would move up its implementation timeline so that notifications comply with section 2 and section 4 requirements starting in FY23. The notification process will prompt employees to opt in or out of the employment verification program, and while this is not mandated until FY24, with the notification requirement likely commencing in FY23, we anticipate individuals will start opting in at that time, and therefor the associated costs would commence in FY23 as a result.

Overall the bill seeks to increase awareness about the federal Public Service Loan Forgiveness program and have public service employers collaborate on a statewide initiative to improve access to and remove barriers to participation in the program.

Section 2 requires the Student Loan Advocate to develop and update annually as necessary materials designed to increase awareness of the Public Service Loan Forgiveness program. The Advocate is to coordinate with other state agencies to ensure materials are distributed.

Section 3 requires the Office of Financial Management (OFM) to develop a program for state agencies to certify employment for the purposes of the Public Service Loan Forgiveness program by July 1, 2023 and collaborate with other state agencies on efforts to improve access and remove barriers to participation in the Public Service Loan Forgiveness program. A plan must be developed by December 1, 2024.

Section 4(1) would require a state agency, including institutions of higher education, to :

- Provide the materials described in section 2 as soon as they are available to all employees annually and newly hired employees within 30 days of the employee's first day of employment.
- Certify employment for the purposes of the Public Service Loan Forgiveness program in accordance with the program established in section 3 by July 1, 2023. Certifying employment is defined in the bill as either completing the employer section of the program form or sharing data directly with the United States Department of Education that corresponds to the information required for the program form.

Section 4(2) requires a state agency that does not directly certify employment with the United States Department of Education, including institutions of higher education, to annually provide notice of renewal and a copy of the Public Service Loan Forgiveness program form with employer information and employment certification sections already completed reflecting at least the last 12 months of employment to :

- An employee who requests a public service loan forgiveness form ;
- Any current employee for whom the state agency has previously certified employment, unless the employee has opted out; and
- An employee who has separated from service or employment, unless the employee opted out.

A state agency must seek permission from its employees prior to certifying their employment.

Section 4(3) allows an employee of a state agency to opt out of the certification process established in section 3 of the act at any time.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates . Distinguish between one time and ongoing functions .

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

No costs are anticipated in order to comply with the requirement in Section 4 (1) to provide materials described in section 2 in written or electronic form to all employees annually and newly hired employees within 30 days of the employee’s first day of employment as these materials would be sent along with other annual notices and incorporated into new employee orientations.

The University of Washington expects to incur costs associated with compliance with section 4 (2) as follows:

UW certifies employment for the purposes of the Public Service Loan Forgiveness program, but does not directly certify with the U.S. Dept. of Education. Instead, employees may enroll with a vendor-based solution which sends forms on the employee’s behalf to the Dept. of Education for a per person annual fee of \$60. This includes annual renewals and other requirements. UW employees may also request employment certification for UW’s centralized payroll office and submit materials to the U.S. Dept. of Education themselves.

As a result, UW Human Resources (UWHR) anticipates implementing section 4(2)(a), (b), (c), and section 4(3) as follows :

- Produce an annual message to all employees and new employees during new employee orientation that describes the Public Service Loan Forgiveness program and provide an option for employees to opt-in or opt-out of participation in the employment certification program.
- Employees who opt-in will be directed to enroll with UWHR’s vendor, with costs paid for by UW. UW estimates the average number of employees currently requesting certification of employment to be 1,200 annually. UWHR’s vendor charges \$60 per person, leading to an initial estimate of \$72,000 per year starting in FY23. These are baseline estimates; we expect the number of employees who participate in this program to increase over time leading to increased costs.
- For employees who enroll with the vendor, the vendor will manage the annual renewal notices, including personalized information, required under Section 4(2) of the bill and to include former employees.

Choosing a non-vendor solution and implementing the bill with UW resources is more expensive, estimated at \$149,265 per year for system and process changes and ongoing program operations.

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	0	72,000	72,000	144,000	144,000
Total \$			0	72,000	72,000	144,000	144,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services		72,000	72,000	144,000	144,000
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	72,000	72,000	144,000	144,000

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 365-Washington State 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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Emily Green	Phone: 5093359681	Date: 02/17/2022
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 02/17/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/17/2022

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 .

ES SB 5847 – Public Employee PSLF Info relates to providing public service employees information about the public service loan forgiveness program.

Section 2 (1) (a) requires that public service employers send employees information regarding the public service loan forgiveness program.

Section 3 requires that public service employers work with the Office Financial Management to develop a program to certify employment for the purposes of the public service loan forgiveness program.

Section 4 specifies when employers must share materials regarding the public service loan forgiveness program to their employees.

Section 4 (2) requires state agencies must certify employment for the purposes of the public service loan forgiveness program in accordance with the program established in section 3 of this act by July 1, 2023.

Currently, WSU Human Resource Services completes Public Service Loan Forgiveness forms for current and former employees. Calculation for faculty hours and annual certification can be incorporated into the current completion process.

All required notifications and announcements can be incorporated into existing New Employee Orientation and On-Boarding processes.

WSU estimates that there will be no fiscal impact for ESSB 5847 – Public Employee PSLF Info.

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

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 370-Eastern Washington University
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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
FTE Staff Years	0.0	1.0	0.5	1.0	1.0
Account					
General Fund-State 001-1	0	66,473	66,473	132,946	132,946
Total \$	0	66,473	66,473	132,946	132,946

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Alexandra Rosebrook	Phone: (509) 359-7364	Date: 02/17/2022
Agency Approval: Alexandra Rosebrook	Phone: (509) 359-7364	Date: 02/17/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/21/2022

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 .

Proposed ESSB 5847 changes from the previous substitute bill include :

Section 4

- Requires state agencies to provide the materials as soon as available.
- Institutions of higher education must use the calculation established in section 5 of this act to determine whether a part-time academic employee is considered full time for the public service loan forgiveness program.

Section 5

- For the purpose of determining whether a part-time academic employee at an institution of higher education is considered full time for certifying employment for the public service loan forgiveness program, duties performed in support of, or in addition to, contractually assigned in-class teaching hours must be included. To calculate this, each hour of in-class teaching time shall be multiplied by 3.35 hours

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 4 establishes requirements for that state agencies provide materials to employees as soon as they are available regarding PSLF.

The most significant costs associated with this bill are the initial set up costs related to acquiring materials, training, process and policy development, and overall management of the program. We anticipate the need for one additional Admin Assistant 3 to administer the program, and fulfill the other duties necessary in order to comply with the requirements of this bill. The estimated cost for this position is \$49,980 salary and benefits at 33% or \$16,493, and we expect to add this person in FY23 in order to be fully implemented by the July 1, 2023 effective date (FY24) and provide the materials as soon as they are available.

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	0	66,473	66,473	132,946	132,946
Total \$			0	66,473	66,473	132,946	132,946

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		1.0	0.5	1.0	1.0
A-Salaries and Wages		49,980	49,980	99,960	99,960
B-Employee Benefits		16,493	16,493	32,986	32,986
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	66,473	66,473	132,946	132,946

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 2022	FY 2023	2021-23	2023-25	2025-27
Admin Assistant 3	49,980		1.0	0.5	1.0	1.0
Total FTEs			1.0	0.5	1.0	1.0

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 375-Central Washington University
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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
FTE Staff Years	0.0	0.8	0.4	0.8	0.8
Account					
General Fund-State 001-1	0	43,284	43,284	86,568	86,568
Total \$	0	43,284	43,284	86,568	86,568

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Erin Sargent	Phone: 509-963-2395	Date: 02/17/2022
Agency Approval: Lisa Plesha	Phone: (509) 963-1233	Date: 02/17/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/21/2022

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.

ES SB 5847 moves some of the language related to part-time academic employees from section 4 to its own section 5.

Section 1: New Section – Establishes legislature’s intent to (a) Develop materials to increase awareness of the federal public service loan forgiveness program;(b) Create a program for state agencies to certify employment for the purpose of the public service loan forgiveness program; (c) Have public service employers collaborate on a statewide initiative to improve access and remove barriers to the public service loan forgiveness program for all public service employees in the state; and (d) Acknowledge the work done outside the classroom by part-time academic employees, allowing for those hours to be counted towards the definition of full time for the public service loan forgiveness program as set forth in 34 C.F.R. Sec. 685.219.

Section 2: New Section – establishes (1) the requirement of the student loan advocate to develop materials designed to increase awareness of the PSLF program, including a standard letter for public service employers to send to their employees, a detailed fact sheet describing the program, and a FAQ. (3) defines “public service employer” and “public service loan forgiveness program”.

Section 3: New Section – (1) establishes requirement of OFM to (a) develop a program for state agencies to certify employment for the purposes of the PSLF program, and assist the advocate in creating and distributing the materials required in section 1 and (b) collaborate with public service employers to develop a statewide initiative to improve access and remove barriers to the PSLF program. (2) defines “certifying employment”, “public service employer”, “public service loan forgiveness program”, and “state agency”.

Section 4: New Section – Establishes requirements effective July 1, 2023 for state agencies which include:

- (1) provide materials described in section 2 in written or electronic form to (a) all employees annually, (b) new employees within 30 days of the start date,
- (2) certification of employment for the purposes of the PSLF program, either directly with the US Dept of Education or (a) by annually providing notice of renewal and a completed certification form to any employee that requests one, any current employee that the state has previously certified, or an employee who has separated from service or employment unless the employee has opted out. (b) agencies shall not delay in certifying employment, (c) must seek permission from the employee prior to certifying, (d) must use the calculation established in section 5 to determine eligibility for a part-time academic employee, and (e) may send the information to the US Dept of Ed.
- (3) employees of the state agency may opt out of the employment certification process at any time.
- (4) defines “certifying employment”, “full time”, “public service employer”, “public service loan forgiveness program”, and “state agency”.

Section 5: New Section – Expands on the calculation required to determine of a part-time academic employee at an IHE is considered full-time for PSLF.

Section 6: New Section - All sections take effect immediately.

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 4 establishes requirements that state agencies provide materials to employees regarding PSLF as well as certification of employment for the purposes of the program either directly with the Department of Education or by providing an annual notice of renewal and completed certification form to any employee that requests one, any current employee that the state has previously certified or an employee who has separated from service and not opted out.

Our current understanding of Public Service Loan Forgiveness certifications are that they are provided to the borrower's loan servicer rather than the Department of Education. The Department of Education contracts with several loan servicers once a borrower's loan enters repayment, and CWU does not currently have any way of knowing which borrowers use which loan servicers. Additionally, student loans can be bought or sold to different servicers during the course of repayment and it would be the borrower's responsibility to notify CWU of those changes. Any process aimed at direct certification with the individual loan servicers, would result in an indeterminate response due to the various unknowns surrounding the direct certification process and any potential data sharing agreements that might be required between the individual loan servicers and CWU. Due to these constraints, and the unknown requirements related to the process that would be developed by OFM (section 3) it is unlikely that CWU would choose to provide the direct certification to the Department of Education and/or the individual loan servicers, but would instead opt for the annual notifications.

In an effort to provide annual notifications to employees about their Public Service Loan Forgiveness eligibility, coupled with current staffing constraints, we anticipate the need for one additional Office Assistant 3 at .75 FTE to administer the program, including processing the annual certifications, communications with the loan borrowers, handling materials, and providing general information about the loan forgiveness program. The estimated cost for this position is \$43,284 (\$43,392+ 33% benefits* .75 FTE), and we expect to add this person in FY23 in order to be fully implemented by the July 1, 2023 effective date (FY24).

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	0	43,284	43,284	86,568	86,568
Total \$			0	43,284	43,284	86,568	86,568

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		0.8	0.4	0.8	0.8
A-Salaries and Wages		32,544	32,544	65,088	65,088
B-Employee Benefits		10,740	10,740	21,480	21,480
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	43,284	43,284	86,568	86,568

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 2022	FY 2023	2021-23	2023-25	2025-27
Office Assistant 3	43,392		0.8	0.4	0.8	0.8
Total FTEs			0.8	0.4	0.8	0.8

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	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:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	0.0	0.5	0.3	1.0	1.0
Account					
General Fund-State 001-1	0	46,167	46,167	170,480	170,480
Total \$	0	46,167	46,167	170,480	170,480

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Laura Coghlan	Phone: (360) 867-6510	Date: 02/15/2022
Agency Approval: Laura Coghlan	Phone: (360) 867-6510	Date: 02/15/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/17/2022

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 .

Engrossed substitute SB 5847 makes the following changes from the previous iteration of the bill :

Section 4: The timeline to begin the notification and provision of information requirements for employees and new employees are moved up to be as soon as the materials are available.

The section prescribing the method for calculating and certifying part-time academic employees is moved into its own section (now section 5).

ES SB 5847 is intended to increase awareness and access to the federal Public Service Loan Forgiveness (PSLF) program for eligible employees by requiring public service employers to develop mechanisms for PSLF program outreach and processes to provide completed employment certification forms to employees annually.

Section 2 requires the student loan advocate to develop and annually update PSLF program outreach materials and collaborate with other agencies to ensure distribution to public service employers.

Section 3 requires OFM to develop a program for state agencies to certify employment for the PSLF program, by July 1, 2023. OFM would also assist the WSAC student loan advocate in creating and distributing outreach materials, and create a plan for a statewide initiative to improve employer access to the PSLF program to be submitted by December 1, 2024.

Section 4 would require The Evergreen State College as a public service employer to :

4(1) - Provide information developed by the student loan advocate and OFM to all employees annually and to new employees within 30 days of employment, as soon as the materials are available.

4(2) – Effective July 1, 2023, certify employment in accordance with the program established by OFM by July 1, 2023, and to either certify employment for the PSLF program directly with the US Department of Education or annually provide a notice of renewal and a copy of the PSLF form with the employment certification sections completed to reflect the last 12 months of employment to: any employee who requests the PSLF form, any current employee for whom the employer has previously certified employment and any employee who has separated from service or employment.

4(3) - Employees may opt out of the employment certification process at any time.

Section 5: This section establishes that, for the purposes of employment certification for part-time academic employees, duties performed in support of their in-class teaching assignments must be included by multiplying each hour of in-class teaching times 3.35 to determine the total hours worked. would take effect July 1, 2023 (FY24).

Section 6 declares that the act would take effect immediately.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates . Distinguish between one time and ongoing functions .

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The engrossed substitute bill alters the timeline somewhat from the previous iteration of the bill. The certification requirements and compliance with the OFM process would still take effect July 1, 2023 (FY24), on the same date that plan is due to be released by OFM. However, the provision of information to employees and incorporation of materials into new employee on-boarding are to occur as soon as materials are available. Since the act would take effect immediately, it is believed that the provision of materials and information would begin in early FY23, and thus, an increase in individual requests for certifications are likely to begin impacting HR workload sooner than in our prior assessment. Our assessment is updated to phase in the workload impact, by acknowledging that .5 FTE HRC 1 would be anticipated beginning FY23, then increase to 1.0 FTE effective FY24.

The College does not anticipate significant impact to provide information to employees about the program, since we assume that once the standardized letter and FAQ is developed by and provided to us by the student loan advocate at the Student Achievement Council, we would send it out via our employee portal. We also believe that we can achieve the notification requirements for new staff hires by including this same information alongside other material in our staff onboarding program without much impact. A similar strategy to incorporate PSLF information for new faculty onboarding will need to be developed. The provision of information to employees would begin as soon as materials are available, which we assume would occur by FY23.

By July 1, 2023 (FY24), Evergreen anticipates the need for a 1.0 FTE Human Resource Consultant 1 (HRC 1) to fully implement the employment certification program. Our current practice is to certify employment for employees who ask for the service and initiate a request to our Human Resource office. HR staff research and verify the information for the employee to complete requested certifications. We interpret Section 4(2) to shift the responsibility of completing the employment certification paperwork to public service employers on a proactive basis to remove barriers for eligible employees. We anticipate that the PSLF program outreach and proactive approach to employment certification required by employers will increase PSLF program participation compared to current levels and lead to an increase in the associated workload over time.

To comply with these requirements, Evergreen would need to develop and implement a process to track employees who have requested PSLF employment certification or opted out of the certification process. Additionally, the HRC 1 would need to develop a procedure for extracting employment data from our existing systems and use the data to create individualized employment certification forms annually for each employee who has opted into that service. We will also need to clarify the processes and procedures for temporary and hourly staff members.

For faculty, we would need to develop a method/system for doing the calculations identified in Section 4(2), (in-class teaching time x 3.35 hours), and figure out how to track “duties performed in support of, or in addition to” in-class teaching hours referenced in the bill. The distribution of faculty workload in terms of in-class hours and other types of work are not metrics that we currently track in our administrative data system (Banner). Instructional faculty, especially part-time faculty, have in-class teaching assignments that vary quarterly; and some part-time faculty also concurrently hold non-faculty staff jobs at the college. Manual employment record research and calculations will be necessary to confirm total work hour eligibility calculations to certify employment.

FY23: .5 FTE Human Resource Consultant 1 (classified, range 46): FY23 projected salary with 3.25% increase = \$30,392.50, benefits \$14,274.

FY24 and beyond: Human Resource Consultant 1 (classified, range 46): FY23 projected salary with 3.25% increase = \$60,785, benefits \$22,955.

We estimate approximately \$1500 in goods and services for printing, supplies, training, or other necessities of the position.

There may be other indeterminate operating costs to ensure that our processes are aligned with the program that OFM will

establish. However, as the nature of that program is unknown, it is not possible at this time to ascertain what costs may be associated with system configuration or programming. If the college is expected to or decides to engage in direct employment certification with the U.S. Department of Education, then such a process could also lead to additional indeterminate impact, given that the current employment certification is a paper form process, involving fax or other method to submit individual records, and we are not aware of imminent availability of an on-line portal option to facilitate submission of multiple records to the U.S. Dept. of Ed, nor what new programming might be required should such a reporting option emerge.

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	0	46,167	46,167	170,480	170,480
Total \$			0	46,167	46,167	170,480	170,480

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		0.5	0.3	1.0	1.0
A-Salaries and Wages		30,393	30,393	121,570	121,570
B-Employee Benefits		14,274	14,274	45,910	45,910
C-Professional Service Contracts					
E-Goods and Other Services		1,500	1,500	3,000	3,000
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	46,167	46,167	170,480	170,480

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 2022	FY 2023	2021-23	2023-25	2025-27
Human Resource Consultant 1	60,785		0.5	0.3	1.0	1.0
Total FTEs			0.5	0.3	1.0	1.0

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 380-Western Washington University
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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
FTE Staff Years	0.0	1.0	0.5	1.0	1.0
Account					
General Fund-State 001-1	0	75,240	75,240	150,480	150,480
Total \$	0	75,240	75,240	150,480	150,480

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Kimberley Ayre	Phone: 3606503377	Date: 02/16/2022
Agency Approval: Faye Gallant	Phone: 3606504762	Date: 02/16/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/17/2022

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.

Engrossed S SB 5847 clarifies the implementation dates for the statewide initiative to improve awareness and access to the federal Public Service Loan Forgiveness (PSLF) program for public employees. To comply with this initiative, WWU would need to develop an outreach program and create a system and process for employee certifications.

Section 3 has been revised to include a July 1, 2023 deadline for OFM to establish an employment certification program for state agencies.

Section 4, which outlines the requirements for state agencies, has been revised to require employers to provide PSLF materials to employees as soon as they are available from the student loan advocate and OFM. This represents a change from the previous version that included this outreach to employees with the overall section implementation date of July 1, 2023.

WWU would be required to annually provide a notice of renewal and a copy of the PSLF form with the employment certification sections already completed to reflect the last 12 months of employment to: any employee who requests the PSLF form, any current employee for whom the employer has previously certified employment, and any employee who has separated from service or employment.

Section 4.2(d) requires higher education institutions specifically to certify employment for part-time academic employees using a calculation (described in a new Section 5) that multiplies each hour of in-class teaching by 3.35 hours to determine the total hours worked for the purposes of establishing full or part-time status for PSLF employment certification.

The changes in this version of the bill do not alter the fiscal impact from prior versions.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

No impact on cash receipts.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

WWU anticipates the need for a 1.0 FTE HR Administrator (\$57,000 salary and 32% benefits) to develop the university's PSLF outreach and employment certification program. Our current practice is to certify employment for employees who ask for the service and bring completed paperwork to our HR department, which officially verifies the information for the employee. We interpret Section 4.2 to shift the responsibility of completing the employment certification paperwork to public service employers on a proactive basis to remove barriers for eligible employees.

To comply with these requirements, WWU would need to develop and implement a process to track employees who have requested PSLF employment certification or opted out of the certification process. Additionally, the HR Administrator would need to develop a procedure for extracting employment data from our existing systems and use the data to create individualized employment certification forms annually for each employee that requests or has requested that service. We anticipate that the outreach and proactive approach to employment certification required by employers will increase PSLF program participation compared to current levels and lead to an increase in the associated workload over time.

Employment certification for WWU’s part-time faculty would require manual calculation of hours worked for each individual using the formula specified in Section 5 because these employees have in-class teaching assignments that vary quarterly and in-class hours are not recorded in our HR system.

There may be other indeterminate operating costs to ensure that our processes are aligned with the program that OFM will establish, particularly if the program requires future system configuration or programming to support direct employment certification with the U.S. Department of Education.

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	0	75,240	75,240	150,480	150,480
Total \$			0	75,240	75,240	150,480	150,480

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		1.0	0.5	1.0	1.0
A-Salaries and Wages		57,000	57,000	114,000	114,000
B-Employee Benefits		18,240	18,240	36,480	36,480
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	75,240	75,240	150,480	150,480

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 2022	FY 2023	2021-23	2023-25	2025-27
Human Resources Administrator	57,000		1.0	0.5	1.0	1.0
Total FTEs			1.0	0.5	1.0	1.0

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: 540-Employment Security Department
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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
FTE Staff Years	1.5	0.5	1.0	0.5	0.5
Account					
Employment Service Administrative Account-State 134-1	208,437	53,891	262,328	107,782	107,782
Total \$	208,437	53,891	262,328	107,782	107,782

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Aaron Pittelkau	Phone: 360 890 3685	Date: 02/17/2022
Agency Approval: Lisa Henderson	Phone: 360-902-9291	Date: 02/17/2022
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/18/2022

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 engrossed substitute bill requires the Office of Financial Management (OFM) to develop a program for state agencies and other public service employers to certify employment for the purposes of the Public Service Loan Forgiveness (PSLF) program and assist the student loan advocate in creating and distributing materials designed to increase awareness of the program. The substantive changes are related to when the Employment Security Department (ESD) is to distribute informational materials to employees; and the date at which the statewide initiative is due to the Legislature.

Section 2(1)(a) adds a requirement for immediate dissemination of information or materials on the PSLF program by the Employment Security Department (ESD) to its employees in electronic or paper form while keeping the requirement that ESD must annually disseminate a standardized letter developed by the student loan advocate that describes the PSLF program.

Section 3(1)(c) requires ESD to participate in plan development, led by OFM, for a statewide initiative due to the Legislature by December 1, 2024, a change from December 1, 2023, as well as the development and dissemination of informational materials for the statewide initiative that promote awareness of the PSLF program and are accessible by both current and former public sector employees who might be eligible for the program.

Section 4 requires ESD, with employees' permission, to immediately and then annually certify employees' employment directly with the DoE for the purpose of the PSLF program or, if not that, immediately and then annually provide employees, former employees, and retirees who do not opt out with PSLF forms with the employer and employment certification sections pre-filled to reflect the last 12 months of employment.

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.

This bill would require the Office of Financial Management (OFM) to develop a program for state agencies and other public service employers to certify employment for the purpose of the Public Service Loan Forgiveness (PSLF) program and assist the student loan advocate in creating and distributing materials designed to increase awareness of the program.

The costs associated with the bill do not change from the previous version of the bill.

One - time Costs:

IT Business Analyst – Journey: will be needed to gather and document application requirements. (FY22: FTE: 0.5, \$77,273.00)

IT Application Developer – Journey: will be needed for development work associated with developing the PowerApps application. (FY22 FTE: 0.5, \$77,273)

The Information Services Technology Division (ITSD) would support Human Resources (HR) by gathering and documenting requirements; developing an in-house PowerApps Application; and carrying out continued support for an application that can document employee permissions to receive /not receive (i.e., opt in/opt out), and generate for employees

that opt - in, the PSLF forms that are pre - populated with employer and employee information as well as agency certification of employment for the prior 12 - month period.

Total Agency one-time Costs: \$77,273 + \$77,273 = \$154,546

On-going Costs:

Human Resources Consultant 2: will be needed to manage the communication with employees and the program. (FY22 and ongoing: \$53,891 per year)

Section 4, the Human Resources (HR) Division would: annually distribute the materials developed for the statewide initiative to all ESD employees in electronic form, and within 30 days to newly hired employees; and with employees’ consent, annually provide employees, former employees, and retirees who do not opt out with PSLF program forms that are pre – populated with the employer and employee information as well as the agency and agency certification of employment for the prior 12 - month period.

Additional on-going costs in Communications is minimal and will be absorbed within current budget. Communications Office would annually distribute, in electronic form, the standard letter developed by the student loan advocate describing the PSLF program. The office would also work with OFM leads and other collaborators to develop the statewide plan to promote the PSFL program to state employees, and other public sector employees.

FY22 and ongoing: \$53,891

One-time costs (FY22): \$154,546
On-going Costs (beginning in FY22): \$53,891

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
134-1	Employment Service Administrative Account	State	208,437	53,891	262,328	107,782	107,782
Total \$			208,437	53,891	262,328	107,782	107,782

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	1.5	0.5	1.0	0.5	0.5
A-Salaries and Wages	111,318	27,762	139,080	55,524	55,524
B-Employee Benefits	44,527	11,105	55,632	22,210	22,210
C-Professional Service Contracts					
E-Goods and Other Services	22,725	7,575	30,300	15,150	15,150
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	29,867	7,449	37,316	14,898	14,898
9-					
Total \$	208,437	53,891	262,328	107,782	107,782

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 2022	FY 2023	2021-23	2023-25	2025-27
Human Resoruces Consultant 3	55,524	0.5	0.5	0.5	0.5	0.5
IT Application Developer - Journey	83,556	0.5		0.3		
IT Business Analyst - Journey	83,556	0.5		0.3		
Total FTEs		1.5	0.5	1.0	0.5	0.5

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

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	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
FTE Staff Years	0.0	3.4	1.7	3.4	3.4
Account					
General Fund-State 001-1	0	350,000	350,000	700,000	700,000
Total \$	0	350,000	350,000	700,000	700,000

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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Brian Myhre	Phone: 360-704-4413	Date: 02/16/2022
Agency Approval: Cherie Berthon	Phone: 360-704-1023	Date: 02/16/2022
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/17/2022

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 engrossed substitute bill differs from the substitute in the following ways :
- Specifies July 1, 2023 as the date that the Office of Financial Management is to have developed a program for to certify employment for the purposes of the public loan forgiveness program
 - Specifies July 1, 2023 as the date by which state agencies must certify employment for the purposes of the public loan forgiveness program
 - Moves the methodology to determine whether a part-time academic employee is considered full time for the public service loan forgiveness program to its own section

These changes would not change the fiscal impacts when compared to the prior bill.

This bill would implement initiatives to promote awareness of federal student loan forgiveness program for those in public service jobs and increase approval rates for those applying for the program.

State agencies include Institutions of Higher Education.

SECTION 2

The Student Loan Advocate at the Washington Student Achievement Council is directed to develop and update materials designed to increase awareness of the public service loan forgiveness program. Public service employers are to receive the materials developed by the Student Loan Advocate

SECTION 3

The Office of Financial Management is directed to develop a program where state agencies can certify employment, for the purposes of the public service loan forgiveness program. The program must be developed by July 1, 2023. State agencies include Institutions of Higher Education.

SECTION 4

As soon as the materials developed by Student Loan Advocate become available, state agencies would be required to provide the materials to all employees annually and to newly hired employees within 30 days of employment.

By July 1, 2023, state agencies must certify employment for the purposes of the public service loan forgiveness program. If a state agency does not directly certify employment with the US Department of Education, they must annually provide notice of renewal and a copy of the form the purposes of the public loan forgiveness form to :

- An employee who request the form
- Any current employee the state agency has previously certified employment, unless the employee has opted out
- An employee who has separated from employment, unless the employee has opted out

A state agency must get permission from an employee before certifying their employment.

A state agency may send information necessary for public service loan forgiveness employment certification to the US Department of Education if they permit public service employers to certify employment for past or present individual employees or groups of employees directly.

Section 5

For the purposes of determining whether a part-time academic employee is considered full time when certifying employment for the public service loan forgiveness program, duties performed in support of, or in addition to, contractually assigned in-class teaching hours must be included.

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.

Sections 4 and 5 of the bill would result in expenditure impacts. The bill would require public service employers to take a more proactive role in employment certification to help remove barriers for eligible employees to participate in the public service loan forgiveness program.

SECTION 4

By July 1, 2023, state agencies must certify employment for the purposes of the public service loan forgiveness program. Agencies must annually provide notice of renewal and a copy of the form the purposes of the public loan forgiveness form to:

- An employee who request the form
- Any current employee the state agency has previously certified employment, unless the employee has opted out
- An employee who has separated from employment, unless the employee has opted out

A state agency must get permission from an employee before certifying their employment.

SECTION 5

For part-time employees, Institutions of Higher Education must calculate duties performed in support of, or in addition to, contractually assigned in-class teaching hours when certifying employment for the public service loan forgiveness program.

COSTS FOR SECTIONS 4 AND 5

For the categories of employees listed in the above sections, staff time will be needed to implement a processes to track employee permission to certify employment, track employees who opt-out, and pre-fill employer information and employment certification sections of forms. Time will also be needed to track “duties performed in support of, or in addition to” in-class teaching hours to determine whether part-time academic employees are considered full time for the purpose of certifying employment for the public service loan forgiveness program.

It is estimated the work listed above will take an average of 0.1 FTE Human Resource Consultant 4 (HRC 4) per college.

Provisions in section 4 would take effect on July 1, 2023 (FY24), while section 5 would take effect immediately. Work will begin in FY 2023 in order to be in compliance with provisions of the bill by the effective dates.

0.1 FTE HRC 4= \$10,300 salary & benefits
\$10,300 X 34 colleges = \$350,000 FY23 onward

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	0	350,000	350,000	700,000	700,000
Total \$			0	350,000	350,000	700,000	700,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		3.4	1.7	3.4	3.4
A-Salaries and Wages		261,000	261,000	522,000	522,000
B-Employee Benefits		89,000	89,000	178,000	178,000
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	350,000	350,000	700,000	700,000

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 2022	FY 2023	2021-23	2023-25	2025-27
Human Resource Consultant 4			3.4	1.7	3.4	3.4
Total FTEs			3.4	1.7	3.4	3.4

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

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5847 E S SB	Title: Public employee PSLF info.
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Part I: Jurisdiction—Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☐ Cities:
- ☐ Counties:
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☒ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Lauren Gilmore	Phone: 564-999-3560	Date: 02/15/2022
Leg. Committee Contact: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/15/2022
OFM Review: Tyler Lentz	Phone: (360) 790-0055	Date: 02/15/2022

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government .

CHANGES FROM PRIOR BILL VERSION:

- Amends section 4 to state that, as soon as available, state agencies shall provide Public Service Loan Forgiveness (PSLF) materials.
- A new section 5 is added that removes part-time academic employee qualifications from section 4 and further enumerates these qualifications for PSLF in this section.

SUMMARY OF CURRENT BILL VERSION:

Under this bill, the Advocate, with the Washington Student Achievement Council, must develop materials designed to increase awareness of PSLF to public service employees annually. Materials must include, at minimum, a standardized letter summarizing PSLF, a detailed fact sheet with certain relevant contact information for PSLF, and a document with frequently asked questions.

The Advocate must also coordinate with the Office of Financial Management (OFM), and other public service employer entities, to ensure materials are received.

It requires OFM to develop a state-wide program for public service employers to certify employment for the purposes of PSLF. Employers must provide information created by the Advocate to employees as least annually and within 30 days of new employment.

Public service employers will collaborate on a statewide initiative to improve access and remove barriers to the PSLF program for a public service employees in developing a statewide initiative to improve access and remove barriers to the public service loan forgiveness program for all public service employees by December 1, 2024.

An employee of a state agency may opt out of the employment certification process of this act at any time.

If the public service employer does not directly certify employment with USDOE, they must annually provide notice of renewal and a copy of the PSLF certification form to:

- all employees
- any employee for whom the employer has previously certified employment
- an employee who has separated from service or employment

The bill requires collaboration on a statewide initiative to improve access and remove barriers to the PSLF program in developing a statewide initiative to improve access and remove barriers to the public service loan forgiveness program for all public service employees in the state by December 1, 2024. This collaboration shall include :

- the Student Achievement Council
- the Employment Security Department
- the Department of Retirement Systems
- nonprofit entities
- local government representatives
- other public service employers

DEFINITIONS:

Public service employer includes the following :

- Any governmental entity including state, county, city, or other local government entity including political subdivisions, such as office, department, independent agency, school district, public college or university system, public library system, authority, or other body including the legislature and the judiciary
- Any employer that has received designation as a tax-exempt organization pursuant to Title 26 U.S.C. Sec. 501 (c)(3)
- Any other entities identified as a public service job in Title 20 U.S.C. Sec. 1087e (m) and 34 C.F.R. Sec. 685.219

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments , identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

NO CHANGES FROM PRIOR BILL VERSION:

This bill would not impact local government expenditures. The documentation regarding Public Service Loan Forgiveness (PSLF) could be provided in print or email and is determined for this note to be no fiscal impact. Local governments choosing, or for practical reasons needing to print this documentation for employees may encounter indeterminate printing costs.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments , identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

NO CHANGES FROM PRIOR BILL VERSION:

This bill would not impact local government revenues.

Individual State Agency Fiscal Note

Bill Number: 5847 E S SB	Title: Public employee PSLF info.	Agency: SDF-School District Fiscal Note - SPI
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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: Michele Alishahi	Phone: (360) 786-7433	Date: 02/11/2022
Agency Preparation: Jami Marcott	Phone: (360) 725-6230	Date: 02/17/2022
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 02/17/2022
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/18/2022

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:
The legislature intends to help state employees qualify for the federal public service loan forgiveness program.

Section 2:
This section requires the student loan advocate within the Student Achievement Council to develop and annually update materials designed to increase awareness of the public service loan forgiveness program.

Section 3:
(1) Requires OFM to:
(a) Develop a program for state agencies to certify employment for the purposes of the public service loan forgiveness program.
(b) Assist the student loan advocate in creating and distributing materials to increase awareness of the program.
(c) Collaborate with a list of entities to develop a statewide initiative to improve access and remove barriers to the program.

(2)(b) School districts are included in the list of entities that fall under “public service employer.”
(2)(d) School districts are included in the list of entities that fall under “state agency.”

Section 4:
This section requires state agencies to provide the materials described in section 2 to state employees in the timelines defined in this section.

Section 5:
This section identifies how to determine if a part-time academic employee at an institution of higher education is considered full time for the federal public service loan forgiveness program.

Section 6:
Emergency clause

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates . Distinguish between one time and ongoing functions .

No impact to cash receipts.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

This bill does not direct school districts to perform any work. There could be minimal staff time to disseminate information from the Student Achievement Council and/or Office of Financial Management. Districts already have staff to distribute relevant information to employees.

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

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