

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5343 SB	<b>Title:</b> School construction costs
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## Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI				44,141,000		48,573,000
Local Gov. Other						
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Superintendent of Public Instruction	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Superintendent of Public Instruction	.0	33,555,000	33,928,000	.0	81,065,000	81,427,000	.0	89,204,000	89,566,000
<b>Total \$</b>	<b>0.0</b>	<b>33,555,000</b>	<b>33,928,000</b>	<b>0.0</b>	<b>81,065,000</b>	<b>81,427,000</b>	<b>0.0</b>	<b>89,204,000</b>	<b>89,566,000</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI						44,141,000			48,573,000
Local Gov. Other									
Local Gov. Total									

## Estimated Capital Budget Breakout

NONE

Agency Name	2023-25		2025-27		2027-29	
	Total		Total		Total	
Construction	0		44,141,000		48,573,000	
Grants/Loans	0		44,141,000		48,573,000	
Other	33,555,000		36,924,000		40,631,000	
Staff	373,000		362,000		362,000	
<b>Total \$</b>	<b>33,928,000</b>		<b>125,568,000</b>		<b>138,139,000</b>	

<b>Prepared by:</b> Kelsey Rote, OFM	<b>Phone:</b> (360) 000-0000	<b>Date Published:</b> Final
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5343 SB	<b>Title:</b> School construction costs	<b>Agency:</b> 350-Superintendent of Public Instruction
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Predesign/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	0	21,543,000	22,598,000	23,706,000	24,867,000
Staff	192,000	181,000	181,000	181,000	181,000	181,000
Other	33,555,000	0	36,924,000	0	40,631,000	0
<b>Total \$</b>	<b>33,747,000</b>	<b>181,000</b>	<b>58,648,000</b>	<b>22,779,000</b>	<b>64,518,000</b>	<b>25,048,000</b>

*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: Alex Fairfortune	Phone: 360-786-7416	Date: 01/17/2023
Agency Preparation: Kirti Vijay	Phone: 3607256261	Date: 01/31/2023
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/31/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 02/01/2023

## Part II: Narrative Explanation

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

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

The proposed legislation aims to reduce costs and increase efficiency in school construction through the use of modifiable standard school construction plans.

Sec. 1 details how the legislature feels that modifiable standardized school design plans would reduce the costs safely for school districts. However, due to the current non-availability of a repository of such plans, The office of the superintendent of public instruction is directed to create the same to be used by school districts. As an incentive for the use of such plans, a 10-percentage point addition to the state funding assistance percentage would be allocated.

Sec. 2(4) specifies that the school district that chooses to use the modifiable standardized school design plans shall be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage, not to exceed 100 percent.

Sec. 3(1) directs the superintendent of public instruction to prescribe rules and establish procedures around the preparation, acquisition and use of the modifiable standardized school design plans.

Sec. 3(2) advises the superintendent of public instruction to establish a repository of modifiable standardized school design plans that includes expandable use of classroom space. These plans should be made available for review and use by the school districts seeking state assistance funds.

Sec. 3(3) mentions that the school district that chooses to use the modifiable standardized school design plans shall be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

No impact to OSPI's cash receipts.

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

No impact to OSPI's operating budget.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

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

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
057-1	State Building Construction Account	State	33,555,000	0	33,555,000	81,065,000	89,204,000
113-1	Common School Construction Account	State	192,000	181,000	373,000	362,000	362,000
<b>Total \$</b>			33,747,000	181,000	33,928,000	81,427,000	89,566,000

**IV. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages	111,000	111,000	222,000	222,000	222,000
B-Employee Benefits	54,000	54,000	108,000	108,000	108,000
C-Professional Service Contracts	33,555,000		33,555,000	36,924,000	40,631,000
E-Goods and Other Services	8,000	8,000	16,000	16,000	16,000
G-Travel	8,000	8,000	16,000	16,000	16,000
J-Capital Outlays	11,000		11,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services				44,141,000	48,573,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	33,747,000	181,000	33,928,000	81,427,000	89,566,000

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

Construction Estimate	FY 2024	FY 2025	2023-25	2025-27	2027-29
Pre-design/Design					
Construction					
Grants/Loans				44,141,000	48,573,000
Staff	192,000	181,000	373,000	362,000	362,000
Other	33,555,000		33,555,000	36,924,000	40,631,000
<b>Total \$</b>	33,747,000	181,000	33,928,000	81,427,000	89,566,000

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

NONE

The proposed legislation intends for the office of the superintendent of public instruction to create and maintain a repository of modifiable standardized construction plans of school facilities to be used by school districts after being modified to adhere to their educational specifications and local building codes. The school district that chooses to use the modifiable standardized school design plans shall be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage, not to exceed 100 percent.

## Development and Updation of Modifiable Standard School Construction Plans

For the purposes of discussion, the following grade span groups were selected from the options exercised by school districts across the state of Washington.

Kindergarten through grade 6  
Grades 7-8  
Grades 9-12  
Kindergarten through grade 8  
Kindergarten through grade 12

Due to the differences in availability of local materials and labor, climate zone, wind, and soil conditions as well as seismic zones, it is assumed that one modifiable standard school construction plan each would be prepared for the western as well as eastern part of the state. Additionally, due to the constant updating of international and federal building codes including ADA, state building codes including energy and seismic, pedological instructional needs and approaches, it is prudent to assume that the modifiable standard school construction plans would need to be revisited and most likely redone, every couple of years.

As for the methodology to determine the fiscal impact of development and updation of the modifiable standard school construction plans, the average square footage of all the sites in the state of Washington that have the above grade span groups was considered.

Kindergarten through grade 6 – statewide average of 45,000 square feet  
Grades 7-8 – statewide average of 88,000 square feet  
Grades 9-12 – statewide average of 167,000 square feet  
Kindergarten through grade 8 – statewide average of 52,000 square feet  
Kindergarten through grade 12 – statewide average of 67,000 square feet

The statewide average square feet of the grade span are used to calculate the total project costs at the estimated actual construction cost per square feet, adjusted for inflation, and including soft costs as a percentage of the estimated total project cost. Thereafter, the cost to develop a modifiable standardized construction plan is estimated as a percentage of the total project costs. The percentage used to derive the cost of development of a modifiable standardized construction plan is the average of the architectural and engineering allowance calculated as a percentage of the estimated total project cost of a representative sample of projects from the releases in fiscal years 2019 through 2022. Please look at the attachment 1 for more information.

### School Construction Assistance Program (SCAP) Incentive

It is assumed that the school districts using the modifiable standardized construction plans would be able to start their projects beginning with the release in fiscal year 2026. These projects would be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage, not to exceed 100 percent.

In order to estimate the SCAP incentive, the SCAP assistance is first calculated as the estimated square feet of new and new-in-lieu construction projects multiplied by the inflation adjusted estimated construction cost allowance (CCA) and the average Funding Assistance Percentage (FAP). The SCAP incentive of 10% is then applied to calculate the amount of SCAP incentive that will be available to the school districts.

$SCAP\ Incentive = 10\% \text{ SCAP incentive} \times \{(New\ square\ feet + NIL\ square\ feet) \times CCA \times FAP\}$

Based on the above calculations, the following are the estimates of the SCAP incentive that would be available to the school districts when they choose to use the modifiable standardized school design plans.

FY 2026 - \$21,543,000  
FY 2027 - \$22,598,000  
FY 2028 - \$23,706,000  
FY 2029 - \$24,867,000  
FY 2030 - \$26,086,000  
FY 2031 - \$27,364,000  
FY 2032 - \$28,705,000  
FY 2033 - \$30,111,000

Please refer to attachment 2 for more information.

#### OSPI Administrative Cost

In order to administer the tasks and responsibilities outlined in the bill, OSPI would need to hire a Program Administrator (1.0 FTE) to implement and coordinate the new program. The position would assist in the creation of the new program, provide technical assistance for the design and updatation of the modifiable standardized construction plans and work with the school districts wanting to apply for state funding assistance and use the modifiable standardized construction plans for their school facilities. The administrative costs also include quarterly meetings of the advisory committee.

The estimated total costs including salaries and benefits, related goods and services, meetings, travel, and one-time office set-up costs are as follows,

FY 2024 - \$ 192,000  
FY 2025 - \$ 181,000  
FY 2026 - \$ 181,000  
FY 2027 - \$ 181,000  
FY 2028 - \$ 181,000  
FY 2029 - \$ 181,000  
FY 2030 - \$ 181,000  
FY 2031 - \$ 181,000  
FY 2032 - \$ 181,000  
FY 2033 - \$ 181,000

Please refer to attachment 2 for more information.

## **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

**Office of Superintendent of Public Instruction  
Total Cost of Development and Updation of All Modifiable Standard School Construction Plans  
SB 5343 - Attachment 1**

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Estimated Cost to Develop Standardize School Plans</b>										
<b>School Design - Kindergarten - Grade 6</b>										
Gross Square Feet of School Design	45,000		45,000		45,000		45,000		45,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 27,307,456		\$ 30,049,105		\$ 33,065,636		\$ 36,385,201		\$ 40,038,514	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Kindergarten - Grade 6	\$ 1,801,906		\$ 1,982,816		\$ 2,181,865		\$ 2,400,909		\$ 2,641,976	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Kindergarten - Grade 6</b>	<b>\$ 3,603,813</b>		<b>\$ 3,965,633</b>		<b>\$ 4,363,729</b>		<b>\$ 4,801,818</b>		<b>\$ 5,283,952</b>	
<b>School Designs - Grades 7-8</b>										
Gross Square Feet of School Design	88,000		88,000		88,000		88,000		88,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 53,401,248		\$ 58,762,695		\$ 64,661,687		\$ 71,153,282		\$ 78,297,539	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Grades 7-8	\$ 3,523,728		\$ 3,877,508		\$ 4,266,758		\$ 4,695,111		\$ 5,166,531	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Grades 7-8</b>	<b>\$ 7,047,456</b>		<b>\$ 7,755,015</b>		<b>\$ 8,533,515</b>		<b>\$ 9,390,222</b>		<b>\$ 10,333,062</b>	
<b>School Designs - Grades 9-12</b>										
Gross Square Feet of School Design	167,000		167,000		167,000		167,000		167,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 101,341,005		\$ 111,515,568		\$ 122,710,247		\$ 135,029,523		\$ 148,587,376	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Grades 9-12	\$ 6,687,074		\$ 7,358,452		\$ 8,097,142		\$ 8,910,041		\$ 9,804,667	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Grades 9-12</b>	<b>\$ 13,374,149</b>		<b>\$ 14,716,904</b>		<b>\$ 16,194,285</b>		<b>\$ 17,820,081</b>		<b>\$ 19,609,334</b>	
<b>School Designs - Kindergarten - Grade 8</b>										
Gross Square Feet of School Design	52,000		52,000		52,000		52,000		52,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 31,555,283		\$ 34,723,411		\$ 38,209,179		\$ 42,045,121		\$ 46,266,728	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Kindergarten - Grade 8	\$ 2,082,203		\$ 2,291,254		\$ 2,521,266		\$ 2,774,384		\$ 3,052,950	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Kindergarten - Grade 8</b>	<b>\$ 4,164,406</b>		<b>\$ 4,582,509</b>		<b>\$ 5,042,532</b>		<b>\$ 5,548,768</b>		<b>\$ 6,105,901</b>	
<b>School Designs - Kindergarten - Grade 12</b>										
Gross Square Feet of School Design	67,000		67,000		67,000		67,000		67,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 40,657,769		\$ 44,739,779		\$ 49,231,057		\$ 54,173,521		\$ 59,612,899	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Kindergarten - Grade 12	\$ 2,682,838		\$ 2,952,193		\$ 3,248,554		\$ 3,574,687		\$ 3,933,609	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Kindergarten - Grade 12</b>	<b>\$ 5,365,676</b>		<b>\$ 5,904,386</b>	<b>\$ -</b>	<b>\$ 6,497,108</b>	<b>\$ -</b>	<b>\$ 7,149,374</b>	<b>\$ -</b>	<b>\$ 7,867,218</b>	<b>\$ -</b>
<b>Total Estimated Cost of Development and Updation of All Modifiable Standard School Construction Plans</b>	<b>\$ 33,555,000</b>	<b>\$ -</b>	<b>\$ 36,924,000</b>	<b>\$ -</b>	<b>\$ 40,631,000</b>	<b>\$ -</b>	<b>\$ 44,710,000</b>	<b>\$ -</b>	<b>\$ 49,199,000</b>	<b>\$ -</b>
<b>Biennial Costs</b>		<b>\$ 33,555,000</b>		<b>\$ 36,924,000</b>		<b>\$ 40,631,000</b>		<b>\$ 44,710,000</b>		<b>\$ 49,199,000</b>



**Office of Superintendent of Public Instruction**  
**Total Cost of Incentive to use the Modifiable Standard School Construction Plans**  
**SB 5343 - Attachment 2**

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Estimated Cost of Increased SCAP Financial Assistance Percentage</b>										
SCAP Square Footage (New + NIL)			1,215,387	1,215,387	1,215,387	1,215,387	1,215,387	1,215,387	1,215,387	1,215,387
CCA			\$ 284.92	\$ 298.88	\$ 313.53	\$ 328.89	\$ 345.00	\$ 361.91	\$ 379.64	\$ 398.24
Average FAP (2018 to 2022 releases)			62.21%	62.21%	62.21%	62.21%	62.21%	62.21%	62.21%	62.21%
Estimated SCAP Financial Assistance			\$ 215,426,018	\$ 225,981,893	\$ 237,055,006	\$ 248,670,701	\$ 260,855,565	\$ 273,637,488	\$ 287,045,725	\$ 301,110,965
Incentive (10 percentage points)			10%	10%	10%	10%	10%	10%	10%	10%
<b>Estimated Total Cost of SCAP Incentive</b>			<b>\$ 21,543,000</b>	<b>\$ 22,598,000</b>	<b>\$ 23,706,000</b>	<b>\$ 24,867,000</b>	<b>\$ 26,086,000</b>	<b>\$ 27,364,000</b>	<b>\$ 28,705,000</b>	<b>\$ 30,111,000</b>
<b>Biennial Costs</b>				<b>\$ 44,141,000</b>		<b>\$ 48,573,000</b>		<b>\$ 53,450,000</b>		<b>\$ 58,816,000</b>

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>OSPI Administration Cost</b>										
Administrative Cost	\$ 192,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000
<b>Biennial Cost</b>		<b>\$ 373,000</b>		<b>\$ 362,000</b>		<b>\$ 362,000</b>		<b>\$ 362,000</b>		<b>\$ 362,000</b>

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Total Cost of SB 5343 - School Construction Costs - Stock Plans</b>										
Cost of Modifiable Standard School Construction Plans	\$ 33,555,000	\$ -	\$ 36,924,000	\$ -	\$ 40,631,000	\$ -	\$ 44,710,000	\$ -	\$ 49,199,000	\$ -
Cost of SCAP Incentive	\$ -	\$ -	\$ 21,543,000	\$ 22,598,000	\$ 23,706,000	\$ 24,867,000	\$ 26,086,000	\$ 27,364,000	\$ 28,705,000	\$ 30,111,000
OSPI Administrative Cost	\$ 192,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000
Total Cost of SB 5343 - School Construction Costs - Stock Plans	\$ 33,747,000	\$ 181,000	\$ 58,648,000	\$ 22,779,000	\$ 64,518,000	\$ 25,048,000	\$ 70,977,000	\$ 27,545,000	\$ 78,085,000	\$ 30,292,000
<b>Biennial Costs</b>		<b>\$ 33,928,000</b>		<b>\$ 81,427,000</b>		<b>\$ 89,566,000</b>		<b>\$ 98,522,000</b>		<b>\$ 108,377,000</b>

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5343 SB	<b>Title:</b> School construction costs	<b>Agency:</b> SDF-School District Fiscal Note - SPI
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Local School Districts-Private/Local New-7				44,141,000	48,573,000
<b>Total \$</b>				44,141,000	48,573,000

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Predesign/Design	0	0	0	0	0	0
Construction	0	0	21,543,000	22,598,000	23,706,000	24,867,000
Grants/Loans	0	0	0	0	0	0
Staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>21,543,000</b>	<b>22,598,000</b>	<b>23,706,000</b>	<b>24,867,000</b>

*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: Alex Fairfortune	Phone: 360-786-7416	Date: 01/17/2023
Agency Preparation: Kirti Vijay	Phone: 3607256261	Date: 01/31/2023
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/31/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 02/01/2023

## Part II: Narrative Explanation

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

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

The proposed legislation aims to reduce costs and increase efficiency in school construction through the use of modifiable standard school construction plans.

Sec. 1 details how the legislature feels that modifiable standardized school design plans would reduce the costs safely for school districts. However, due to the current non-availability of a repository of such plans, The office of the superintendent of public instruction is directed to create the same to be used by school districts. As an incentive for the use of such plans, a 10-percentage point addition to the state funding assistance percentage would be allocated.

Sec. 2(4) specifies that the school district that chooses to use the modifiable standardized school design plans shall be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage, not to exceed 100 percent.

Sec. 3(1) directs the superintendent of public instruction to prescribe rules and establish procedures around the preparation, acquisition and use of the modifiable standardized school design plans.

Sec. 3(2) advises the superintendent of public instruction to establish a repository of modifiable standardized school design plans that includes expandable use of classroom space. These plans should be made available for review and use by the school districts seeking state assistance funds.

Sec. 3(3) mentions that the school district that chooses to use the modifiable standardized school design plans shall be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

The proposed legislation intends for the office of the superintendent of public instruction to create and maintain a repository of modifiable standardized construction plans of school facilities to be used by school districts after being modified to adhere to their educational specifications and local building codes. The school district that chooses to use the modifiable standardized school design plans shall be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage, not to exceed 100 percent.

It is assumed that the school districts using the modifiable standardized construction plans would be able to start their projects beginning with the release in fiscal year 2026. In order to estimate the SCAP incentive, the SCAP assistance is first calculated as the estimated square feet of new and new-in-lieu construction projects multiplied by the inflation adjusted estimated construction cost allowance (CCA) and the average Funding Assistance Percentage (FAP). The SCAP incentive of 10% is then applied to calculate the amount of SCAP incentive that will be available to the school districts.

$$\text{SCAP Incentive} = 10\% \text{ SCAP incentive} \times \{(\text{New square feet} + \text{NIL square feet}) \times \text{CCA} \times \text{FAP}\}$$

Based on the above calculations, the following are the estimates of the SCAP incentive that would be available to the school districts when they choose to use the modifiable standardized school design plans.

FY 2026 - \$21,543,000

FY 2027 - \$22,598,000

FY 2028 - \$23,706,000

FY 2029 - \$24,867,000

FY 2030 - \$26,086,000  
 FY 2031 - \$27,364,000  
 FY 2032 - \$28,705,000  
 FY 2033 - \$30,111,000

Please refer to the attachments for more information.

**II. C - Expenditures**

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

No impact to local school district’s operating budget.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

NONE

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

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
New-7	Local School Districts	State	0	0	0	44,141,000	48,573,000
<b>Total \$</b>			0	0	0	44,141,000	48,573,000

**IV. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays				44,141,000	48,573,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	0	0	0	44,141,000	48,573,000

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

Construction Estimate	FY 2024	FY 2025	2023-25	2025-27	2027-29
Pre-design/Design					
Construction				44,141,000	48,573,000
Grants/Loans					
Staff					
Other					
<b>Total \$</b>				44,141,000	48,573,000

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

NONE

The proposed legislation intends for the office of the superintendent of public instruction to create and maintain a repository of modifiable standardized construction plans of school facilities to be used by school districts after being modified to adhere to their educational specifications and local building codes. The school district that chooses to use the modifiable standardized school design plans shall be entitled to an addition of 10 additional percentage points to the computed state funding assistance percentage, not to exceed 100 percent.

It is assumed that the school districts using the modifiable standardized construction plans would be able to start their projects beginning with the release in fiscal year 2026. It is assumed that the SCAP incentive will be available to be spent on the construction of the school facility. The amount of the incentive available is as follows:

- FY 2024 – No fiscal impact
- FY 2025 – No fiscal impact
- FY 2026 - \$21,543,000
- FY 2027 - \$22,598,000
- FY 2028 - \$23,706,000
- FY 2029 - \$24,867,000
- FY 2030 - \$26,086,000
- FY 2031 - \$27,364,000
- FY 2032 - \$28,705,000
- FY 2033 - \$30,111,000

Please refer to the attachments for more information.

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

**Office of Superintendent of Public Instruction**  
**Total Cost of Development and Updation of All Modifiable Standard School Construction Plans**  
**SB 5343 - Attachment 1**

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Estimated Cost to Develop Standardize School Plans</b>										
<b>School Design - Kindergarten - Grade 6</b>										
Gross Square Feet of School Design	45,000		45,000		45,000		45,000		45,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 27,307,456		\$ 30,049,105		\$ 33,065,636		\$ 36,385,201		\$ 40,038,514	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Kindergarten - Grade 6	\$ 1,801,906		\$ 1,982,816		\$ 2,181,865		\$ 2,400,909		\$ 2,641,976	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Kindergarten - Grade 6</b>	<b>\$ 3,603,813</b>		<b>\$ 3,965,633</b>		<b>\$ 4,363,729</b>		<b>\$ 4,801,818</b>		<b>\$ 5,283,952</b>	
<b>School Designs - Grades 7-8</b>										
Gross Square Feet of School Design	88,000		88,000		88,000		88,000		88,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 53,401,248		\$ 58,762,695		\$ 64,661,687		\$ 71,153,282		\$ 78,297,539	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Grades 7-8	\$ 3,523,728		\$ 3,877,508		\$ 4,266,758		\$ 4,695,111		\$ 5,166,531	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Grades 7-8</b>	<b>\$ 7,047,456</b>		<b>\$ 7,755,015</b>		<b>\$ 8,533,515</b>		<b>\$ 9,390,222</b>		<b>\$ 10,333,062</b>	
<b>School Designs - Grades 9-12</b>										
Gross Square Feet of School Design	167,000		167,000		167,000		167,000		167,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 101,341,005		\$ 111,515,568		\$ 122,710,247		\$ 135,029,523		\$ 148,587,376	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Grades 9-12	\$ 6,687,074		\$ 7,358,452		\$ 8,097,142		\$ 8,910,041		\$ 9,804,667	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Grades 9-12</b>	<b>\$ 13,374,149</b>		<b>\$ 14,716,904</b>		<b>\$ 16,194,285</b>		<b>\$ 17,820,081</b>		<b>\$ 19,609,334</b>	
<b>School Designs - Kindergarten - Grade 8</b>										
Gross Square Feet of School Design	52,000		52,000		52,000		52,000		52,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 31,555,283		\$ 34,723,411		\$ 38,209,179		\$ 42,045,121		\$ 46,266,728	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Kindergarten - Grade 8	\$ 2,082,203		\$ 2,291,254		\$ 2,521,266		\$ 2,774,384		\$ 3,052,950	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Kindergarten - Grade 8</b>	<b>\$ 4,164,406</b>		<b>\$ 4,582,509</b>		<b>\$ 5,042,532</b>		<b>\$ 5,548,768</b>		<b>\$ 6,105,901</b>	
<b>School Designs - Kindergarten - Grade 12</b>										
Gross Square Feet of School Design	67,000		67,000		67,000		67,000		67,000	
Estimated Construction Cost Per Square Foot	\$ 533.47		\$ 587.03		\$ 645.96		\$ 710.81		\$ 782.18	
Soft Cost Estimate as Percentage of Construction Costs	13.75%		13.75%		13.75%		13.75%		13.75%	
Estimated Total Project Cost Per Square Feet	\$ 606.83		\$ 667.76		\$ 734.79		\$ 808.56		\$ 889.74	
Total Estimated Project Cost	\$ 40,657,769		\$ 44,739,779		\$ 49,231,057		\$ 54,173,521		\$ 59,612,899	
Estimated Percent of Architectural and Engineering of Total Project Costs	6.60%		6.60%		6.60%		6.60%		6.60%	
Estimated Cost to Develop Standardized School Plans for Kindergarten - Grade 12	\$ 2,682,838		\$ 2,952,193		\$ 3,248,554		\$ 3,574,687		\$ 3,933,609	
Number of Plans Needed (Western Washington & Eastern Washington Versions)	2		2		2		2		2	
<b>Total Estimated Cost to Develop Standardized Plans for Kindergarten - Grade 12</b>	<b>\$ 5,365,676</b>		<b>\$ 5,904,386</b>	<b>\$ -</b>	<b>\$ 6,497,108</b>	<b>\$ -</b>	<b>\$ 7,149,374</b>	<b>\$ -</b>	<b>\$ 7,867,218</b>	<b>\$ -</b>
<b>Total Estimated Cost of Development and Updation of All Modifiable Standard School Construction Plans</b>	<b>\$ 33,555,000</b>	<b>\$ -</b>	<b>\$ 36,924,000</b>	<b>\$ -</b>	<b>\$ 40,631,000</b>	<b>\$ -</b>	<b>\$ 44,710,000</b>	<b>\$ -</b>	<b>\$ 49,199,000</b>	<b>\$ -</b>
<b>Biennial Costs</b>		<b>\$ 33,555,000</b>		<b>\$ 36,924,000</b>		<b>\$ 40,631,000</b>		<b>\$ 44,710,000</b>		<b>\$ 49,199,000</b>

**Office of Superintendent of Public Instruction**  
**Total Cost of Incentive to use the Modifiable Standard School Construction Plans**  
**SB 5343 - Attachment 2**

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Estimated Cost of Increased SCAP Financial Assistance Percentage</b>										
SCAP Square Footage (New + NIL)			1,215,387	1,215,387	1,215,387	1,215,387	1,215,387	1,215,387	1,215,387	1,215,387
CCA			\$ 284.92	\$ 298.88	\$ 313.53	\$ 328.89	\$ 345.00	\$ 361.91	\$ 379.64	\$ 398.24
Average FAP (2018 to 2022 releases)			62.21%	62.21%	62.21%	62.21%	62.21%	62.21%	62.21%	62.21%
Estimated SCAP Financial Assistance			\$ 215,426,018	\$ 225,981,893	\$ 237,055,006	\$ 248,670,701	\$ 260,855,565	\$ 273,637,488	\$ 287,045,725	\$ 301,110,965
Incentive (10 percentage points)			10%	10%	10%	10%	10%	10%	10%	10%
<b>Estimated Total Cost of SCAP Incentive</b>			<b>\$ 21,543,000</b>	<b>\$ 22,598,000</b>	<b>\$ 23,706,000</b>	<b>\$ 24,867,000</b>	<b>\$ 26,086,000</b>	<b>\$ 27,364,000</b>	<b>\$ 28,705,000</b>	<b>\$ 30,111,000</b>
<b>Biennial Costs</b>				<b>\$ 44,141,000</b>		<b>\$ 48,573,000</b>		<b>\$ 53,450,000</b>		<b>\$ 58,816,000</b>

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>OSPI Administration Cost</b>										
Administrative Cost	\$ 192,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000
<b>Biennial Cost</b>		<b>\$ 373,000</b>		<b>\$ 362,000</b>		<b>\$ 362,000</b>		<b>\$ 362,000</b>		<b>\$ 362,000</b>

	2023-25 Biennium		2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium	
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Total Cost of SB 5343 - School Construction Costs - Stock Plans</b>										
Cost of Modifiable Standard School Construction Plans	\$ 33,555,000	\$ -	\$ 36,924,000	\$ -	\$ 40,631,000	\$ -	\$ 44,710,000	\$ -	\$ 49,199,000	\$ -
Cost of SCAP Incentive	\$ -	\$ -	\$ 21,543,000	\$ 22,598,000	\$ 23,706,000	\$ 24,867,000	\$ 26,086,000	\$ 27,364,000	\$ 28,705,000	\$ 30,111,000
OSPI Administrative Cost	\$ 192,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000	\$ 181,000
Total Cost of SB 5343 - School Construction Costs - Stock Plans	\$ 33,747,000	\$ 181,000	\$ 58,648,000	\$ 22,779,000	\$ 64,518,000	\$ 25,048,000	\$ 70,977,000	\$ 27,545,000	\$ 78,085,000	\$ 30,292,000
<b>Biennial Costs</b>		<b>\$ 33,928,000</b>		<b>\$ 81,427,000</b>		<b>\$ 89,566,000</b>		<b>\$ 98,522,000</b>		<b>\$ 108,377,000</b>