

Multiple Agency Fiscal Note Summary

Bill Number: 1643 HB	Title: Nurse student loan repayment
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Student Achievement Council	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

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
Department of Social and Health Services	Fiscal note not available											
Department of Health	Fiscal note not available											
Student Achievement Council	2.1	673,000	673,000	673,000	2.0	630,000	630,000	630,000	2.0	630,000	630,000	630,000
Student Achievement Council	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	2.1	673,000	673,000	673,000	2.0	630,000	630,000	630,000	2.0	630,000	630,000	630,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Social and Health Services	Fiscal note not available								
Department of Health	Fiscal note not available								
Student Achievement Council	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Ramona Nabors, OFM	Phone: (360) 742-8948	Date Published: Preliminary 2/ 7/2023
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Individual State Agency Fiscal Note

Bill Number: 1643 HB	Title: Nurse student loan repayment	Agency: 340-Student Achievement Council
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

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

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.2	2.0	2.1	2.0	2.0
Account					
General Fund-State 001-1	358,000	315,000	673,000	630,000	630,000
Total \$	358,000	315,000	673,000	630,000	630,000

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

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Saranda Ross	Phone: 360-786-7068	Date: 02/02/2023
Agency Preparation: David Davis	Phone: 3607537854	Date: 02/06/2023
Agency Approval: Brian Richardson	Phone: 360-485-1124	Date: 02/06/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/07/2023

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.

HB 1643 adds a sub-program within the existing Washington Health Corps program that provides loan repayment for nurses employed by a participating hospital. To participate a hospital must be licensed under RCW 70.41 or 71.12 and agree to pay 50% of loan repayment awards. Critical access hospitals and sole community hospitals are exempt from the 50% requirement.

Maximum annual awards for recipients would be calculated as outlined under Section 4(5) and would be based on median loan debt.

The Washington Student Achievement Council (WSAC) would administer the program as part of the established Washington Health Corps program.

This fiscal note describes administrative expenses that would be incurred by the Washington Student Achievement Council to administer a program of up to 1,000 recipients. If the program grows, staffing levels would need to scale up accordingly.

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.

Cash receipts are indeterminate as they are dependent on the level of appropriations for the program and the number of contract breaches.

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.

Expenditures are indeterminate as they are dependent on appropriations, educational debt of awardees, participating hospitals and the number of contract breaches.

The Washington Student Achievement Council would use existing Washington Health Corps infrastructure and program design where possible.

Adjustments to the program would be required in the following ways:

- Quarterly selection of recipients.
- Separate calculation of maximum award value. It is assumed the median, as outlined in Section 4(5), would be based on loan debt of applicants and adjusted no more than annually. (Debt varies greatly by license type and by individuals within license types. The mean, different from median, of the Washington Health Corps during the 2022 application cycle was as follows: Licensed Practical Nurse debt was \$32,143; Nurse Practitioner was \$115,228 and Registered Nurse was \$49,566).
- Recruitment of hospitals to participate in program.
- Collection of payment from hospitals.
- Fund management of hospital payments.

WSAC also would hold one in-person planning committee meeting dedicated to the hospital-based sub-program of Washington Health Corps at a cost of \$2,000 per meeting.

The following describes WSAC's responsibilities and administrative expenses.

ONGOING ADMINISTRATION

WSAC would:

- Establish award amounts
- Determine the service obligation
- Promote the availability of the program
- Recruit hospitals to participate
- Run quarterly application and awarding cycles
- Award, fund and monitor service requirements for recipients
- Collect, in the case of contract breaches
- Collect the required 50% from participating hospitals
- Fund management
- Establish administrative rules

Staffing Needed

FY24: 1.0 FTE Program Manager, 0.5 FTE Associate Director, 0.5 FTE Software Developer, 0.1 FTE Communications Specialist, and 0.1 FTE program coordinator. Total staffing cost (FY24): \$356,000

FY25 and beyond: 1.0 FTE Program Manager, 0.5 FTE Associate Director, 0.2 FTE Software Developer, and 0.3 FTE Program Coordinator. Total staffing cost (FY25 and ongoing): \$313,000 per year.

Expenses for one in-person meeting annually: \$2,000 per year (FY24 and ongoing).

The staffing and resources reflected in this analysis would accommodate a loan repayment program serving up to 1,000 loan recipients per year.

Staff time estimates are rounded to the nearest 0.1 FTE and staff-related and other costs are rounded to the nearest \$1,000.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	358,000	315,000	673,000	630,000	630,000
Total \$			358,000	315,000	673,000	630,000	630,000

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

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.2	2.0	2.1	2.0	2.0
A-Salaries and Wages	181,000	153,000	334,000	306,000	306,000
B-Employee Benefits	66,000	61,000	127,000	122,000	122,000
C-Professional Service Contracts					
E-Goods and Other Services	109,000	99,000	208,000	198,000	198,000
G-Travel	2,000	2,000	4,000	4,000	4,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	358,000	315,000	673,000	630,000	630,000

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

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Associate Director	101,000	0.5	0.5	0.5	0.5	0.5
Communications Specialist	79,000	0.1		0.1		
IT Software Developer	101,000	0.5	0.2	0.4	0.2	0.2
Program Coordinator	49,000	0.1	0.3	0.2	0.3	0.3
Program Manager B	67,000	1.0	1.0	1.0	1.0	1.0
Total FTEs		2.2	2.0	2.1	2.0	2.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Financial Aid & Grant Programs (030)	358,000	315,000	673,000	630,000	630,000
Total \$	358,000	315,000	673,000	630,000	630,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

The Washington Student Achievement Council would need to modify Washington Health Corps administrative rules.