

Multiple Agency Fiscal Note Summary

Bill Number: 1550 2S HB AMS EDU S2590.1	Title: Transition to kindergarten
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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
Department of Children, Youth, and Families	0	0	6,000	0	0	6,000	0	0	6,000
Total \$	0	0	6,000	0	0	6,000	0	0	6,000

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	No fiscal impact					
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
Office of Financial Management	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Children, Youth, and Families	1.0	2,287,000	2,287,000	2,293,000	1.0	2,180,000	2,180,000	2,186,000	1.0	2,180,000	2,180,000	2,186,000
Superintendent of Public Instruction	1.2	432,000	432,000	432,000	1.1	330,000	330,000	330,000	1.1	330,000	330,000	330,000
Total \$	2.2	2,719,000	2,719,000	2,725,000	2.1	2,510,000	2,510,000	2,516,000	2.1	2,510,000	2,510,000	2,516,000

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	No fiscal impact								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Department of Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

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	No fiscal impact								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Final 4/10/2023
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Individual State Agency Fiscal Note

Bill Number: 1550 2S HB AMS EDU S2590.1	Title: Transition to kindergarten	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:

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: Ailey Kato	Phone: 786-7434	Date: 03/28/2023
Agency Preparation: Keith Thunstedt	Phone: 360-810-1271	Date: 03/29/2023
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 03/29/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 03/30/2023

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.

Changes in this amended version compared to the previous version:

This version removed Section 11 from the previous version, which required Education Research & Data Center (ERDC) at OFM to collect longitudinal, student-level data on all children attending a transition to kindergarten program. With this section's removal, the remaining bill has no fiscal impact to OFM.

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.

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.

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

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.

Individual State Agency Fiscal Note

Bill Number: 1550 2S HB AMS EDU S2590.1	Title: Transition to kindergarten	Agency: 307-Department of Children, Youth, and Families
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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
General Fund-Federal 001-2	3,000	3,000	6,000	6,000	6,000
Total \$	3,000	3,000	6,000	6,000	6,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
Account					
General Fund-State 001-1	1,197,000	1,090,000	2,287,000	2,180,000	2,180,000
General Fund-Federal 001-2	3,000	3,000	6,000	6,000	6,000
Total \$	1,200,000	1,093,000	2,293,000	2,186,000	2,186,000

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: Ailey Kato	Phone: 786-7434	Date: 03/28/2023
Agency Preparation: Ashley McEntyre	Phone: 2533064501	Date: 04/06/2023
Agency Approval: Crystal Lester	Phone: 360-628-3960	Date: 04/06/2023
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 04/07/2023

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.

Comparison of 2SHB 1550-S2 and 2SHB 1550

Section 2 replaces Section 4.

Section 3 replaces Section 8 and adds an expiration date of August 30, 2025.

Section 4 directs the Caseload Forecast Council to forecast eligible children participating in the Transition to Kindergarten program.

2SHB 1550-2S

Section 2 amends RCW 28A.225.160 and 2009 c 380 s 3 to allow the Office of the Superintendent of Public Instruction to establish rules for uniform entry qualifications for admission to kindergarten and first grade programs.

Section 3 requires DCYF to make administrative changes to better align ECEAP implementation with school districted offered state-funded early learning programs serving three through five-year old's; DCYF must submit a report to the appropriate committees by July 1, 2024. This section expires August 30, 2025.

Section 4 directs the Caseload Forecast Council to forecast eligible children participating in the Transition to Kindergarten program.

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.

Title IV-E, the federal reimbursement is 13 percent. The agency estimates eligible reimbursements of \$6,000.

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.

The Department of Children, Youth and Families estimates \$2,293,000 (\$2,287,000 GF-S) and 1.0 Full Time Equivalent Staff (FTEs) in the 23-25 Biennium.

Section 3

Total Costs are \$1,200,000 in FY 24, \$1,093,000 in FY25 and 1.0 FTE – this will include any costs associated with the below and all costs in the model that include the standard FTE costs.

-1.0 Commerce Specialist 4 (COM4)

This section of the bill requires DCYF to partner with OSPI to establish a process for Transition to Kindergarten program prospective program sites in coordination with the planned expansion of the ECEAP program. A new FTE is required partner with OSPI and Child Care Aware to facilitate the coordinated recruitment and enrollment process.

PROFESSIONAL SERVICE CONTRACTS:

--Ongoing expenditures of \$7,000 for annual subscriptions for a Zoom Grants account to support the contract with Child Care Aware (CCA).

--Ongoing expenditures of \$875,000 to contract with CCA to fund coordinated recruitment efforts:

-1.0 position at the state CCA office

-6.0 positions at the regional CCA offices

--Ongoing expenditures of \$75,000 for communications and materials for outreach

--One-time expenditure of \$100,000 to contract with a consultant to facilitate state level planning and coordination for the committee run by a team comprised of representatives from DCYF, OSPI, CCA of WA, and AESDs.

DCYF contracts with CCA to support coordinated recruitment efforts to set goals for coordination of recruitment and enrollment of children who may qualify for multiple programs.

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	1,197,000	1,090,000	2,287,000	2,180,000	2,180,000
001-2	General Fund	Federal	3,000	3,000	6,000	6,000	6,000
Total \$			1,200,000	1,093,000	2,293,000	2,186,000	2,186,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	83,000	83,000	166,000	166,000	166,000
B-Employee Benefits	28,000	28,000	56,000	56,000	56,000
C-Professional Service Contracts	1,057,000	957,000	2,014,000	1,914,000	1,914,000
E-Goods and Other Services	2,000	2,000	4,000	4,000	4,000
G-Travel	2,000	2,000	4,000	4,000	4,000
J-Capital Outlays	7,000		7,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	21,000	21,000	42,000	42,000	42,000
9-					
Total \$	1,200,000	1,093,000	2,293,000	2,186,000	2,186,000

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 2024	FY 2025	2023-25	2025-27	2027-29
Commerce Specialist 4	82,901	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.0	1.0	1.0	1.0	1.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Early Learning (030)	1,179,000	1,072,000	2,251,000	2,144,000	2,144,000
Program Support (090)	21,000	21,000	42,000	42,000	42,000
Total \$	1,200,000	1,093,000	2,293,000	2,186,000	2,186,000

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

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.

Individual State Agency Fiscal Note

Bill Number: 1550 2S HB AMS EDU S2590.1	Title: Transition to kindergarten	Agency: 350-Superintendent of Public Instruction
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Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.3	1.1	1.2	1.1	1.1
Account					
General Fund-State 001-1	267,000	165,000	432,000	330,000	330,000
Total \$	267,000	165,000	432,000	330,000	330,000

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: Ailey Kato	Phone: 786-7434	Date: 03/28/2023
Agency Preparation: Michelle Matakas	Phone: 360 725-6019	Date: 03/31/2023
Agency Approval: TJ Kelly	Phone: 360 725-6301	Date: 03/31/2023
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 03/31/2023

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.

Section 1

- Previous section 1 included findings and intent
- New section 1 includes the following:
 - o Section 1(1): Intent
 - o Section 1(2): Requires the Office of the Superintendent of Public Instruction (OSPI) to administer the transition to kindergarten program and adopt rules. Outlines the minimum requirement of rules.
 - o Section 1(3): Outlines what the funding for the transition to kindergarten program must be based on.

Section 2:

- Previous section 2 was removed.
- New section 2(1) was previously section 4(1), however modified.
 - o Section 2(1):
 - ? Strikes subsection 2 and changes it to subsection 3.
 - ? Adds language that rules may provide for individualized exceptions.
 - ? Adds language noting that nothing in this section authorizes school districts, public schools, or OSPI to create state-funded programs based on entry qualification exceptions except as otherwise expressly provided by law.
 - ? Removes previous language regarding fee collection.
 - ? Removes previous language regarding rules providing for exceptions to the uniform entry qualifications for kindergarten beginning with the 2024-25 school year.
- New section 2(2) was previously included in previous section 4(1).
 - o Section 2(2): Adds language that authorizes a preadmission screening process as a prerequisite to granting individualized exceptions to the uniform entry qualifications.
- New section 2(3) was previously section 4(2).

Section 3:

- Previous section 3 was removed.
- New section 3 was previously section 8.

Section 4:

- Previous section 4(1) was modified and moved to section 2(1) and 2(2).
- Previous section 4(2) was moved to section 2(3).
- New section 4 amends RCW 43.88C.010 and 2022 c 2019 s 2 and adds section 4(14) that requires the caseload forecast council to forecast eligible children participating in the transition to kindergarten program under section 1 of this act.

Previous sections 5-7 were removed.

Previous section 8 moved to section 3.

Previous sections 9-12 were removed.

Summary of 2SHB 1550 AMS EDU S2590.1

Section 1 (New):

Section 1(1): Identifies the intent of the bill to continue to rename transitional kindergarten as the transition to kindergarten program and that the program be established in statute with the goal of assisting eligible children in need of additional

preparation to be successful kindergarten students in the following school year.

Section 1(2): Requires the Superintendent of Public Instruction to administer the transition to kindergarten program and adopt rules under chapter 34.05 RCW for the administration of, and the allocation of state funding for, the transition to kindergarten program.

Section 1(2)(a)(i) – (g): Outlines the minimum requirements that the rules must include:

(a)(i) A limitation on program enrollment to eligible children. Eligible children include only those who have been determined to benefit from additional preparation for kindergarten; and are at least four years old by August 31st of the school year they enroll in the transition to kindergarten program.

(a)(ii) Allows school districts and public schools to prioritize families with the lowest incomes and children most in need for additional preparation to be successful in kindergarten when enrolling eligible children in a transition to kindergarten program.

(a)(iii) Inform that access to the transition to kindergarten program does not constitute an individual entitlement for any particular child.

(b) The Washington kindergarten inventory of developing skills as established by RCW 28A.655.080 be administered to all eligible children enrolled in a transition to kindergarten program at the beginning of the child's enrollment in the program and at least one more time during the school year, except for children who have been excused from participation by their parent or legal guardians.

(c) All eligible children enrolled in a transition to kindergarten program be assigned to a statewide student identifier and that the transition to kindergarten program be considered a separate class or course for the purposes of data reporting requirements in RCW 28A.320.175.

(d)(i) A local childcare and early learning needs assessment be conducted before beginning or expanding a transition to kindergarten program that considers the existing availability and affordability of early learning providers.

(d)(ii) OSPI and the Department of Children, Youth, and Families must develop statewide coordinated eligibility, recruitment, enrollment, and selection best practices and provide technical assistance to those implementing a transition to kindergarten program to support connections with the local early learning providers.

(d)(iii) Nothing in this section prohibits school districts and public schools from blending or collocating a transition to kindergarten program with other early learning programs.

(e)(i) School districts and public schools must adhere to guidelines, as developed by OSPI related to best practices for site readiness of facilities that are used for the program, developmentally appropriate curricula that might assist in maintaining high quality programs, and professional development opportunities.

(e)(ii) OSPI must develop a process for conducting site visits of a school district or public school offering a transition to kindergarten program and provide feedback on elements listed in this subsection (2)(e).

(f) Prohibit charging tuition or other fees to state-funded eligible children for enrollment in a transition to kindergarten program.

(g) Prohibit establishing a policy of excluding an eligible child due only to the presence of a disability.

Section 1(3)(a): Details what the funding for the transition to kindergarten must be based on, to include:

- Distribution formula established under RCW 28A.150.260 (4)(a), (5), (6), (8), and (10)(a) and (b), calculated using the

actual number of annual average full-time equivalent eligible children enrolled in the program.

- The distribution formula developed in RCW 28A.160.150 through 28A.160.192, calculated using reported ridership for eligible children enrolled in the program.

Section 1(3)(b): Informs that funding is not part of the state's statutory program of basic education under RCW 28A.150.200 and must be expended only for the support of operating a transition to kindergarten program.

Section 2 (Amended):

Section 2(1):

- Strikes subsection 2 and changes it to subsection 3.
- Adds language that rules may provide for individualized exceptions.
- Adds language noting that nothing in this section authorizes school districts, public schools, or OSPI to create state-funded programs based on entry qualification exceptions except as otherwise expressly provided by law.

Section 2(2): Adds language that authorizes a preadmission screening process as a prerequisite to granting individualized exceptions to the uniform entry qualifications.

Section 3 (New)

Section 3(1):

- Requires DCYF to make administrative changes to better align early learning childhood education and assistance program implementation with state-funded early learning programs serving three through five-year old children offered by school districts and public schools.
- Requires DCYF to submit a report, in compliance with RCW 43.01.036, of the administrative changes to the appropriate committees of the legislature by July 1, 2024.

Section 3(2): Informs that this section expires on August 30, 2025.

Section 4 (Amended)

Section 4(14): Language added requiring the caseload forecast council to forecast eligible children participating in the transition to kindergarten program under section 1 of this act.

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 cash receipts impact anticipated.

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.

Section 1(2) requires the Superintendent of Public Instruction to administer the transition to kindergarten program and adopt rules under chapter 34.05 RCW for the administration of, and the allocation of state funding for, the transition to kindergarten program.

OSPI assumes it will require the following to implement Section 1:

Staffing:

- 0.10 FTE Executive Director's time in the Early Learning program to provide accountability and oversight of the transition to kindergarten program, to include assisting in OSPI rules adoption and report writing, the development of guidelines and processes for school districts and public schools offering a transition to kindergarten program, provide technical assistance to those implementing a transition to kindergarten program, and collaborating with partners within

OSPI, DCYF, educational service districts, and school districts. OSPI estimates the cost associated with this work to be \$23,000 in FY24 and \$22,000 annually thereafter.

- 1.0 FTE Transition and Inclusion Specialist’s time in the Early Learning program to assist in the administration of the transition to kindergarten program, development of guidelines and processes for school districts and public schools offering a transition to kindergarten program, coordination of activities with partners at OSPI and DCYF, provide on-going training, technical assistance, and professional development to schools who provide transition to kindergarten programs. OSPI estimates the cost associated with this work to be \$156,000 in FY24 and \$144,000 annually thereafter.

Rules Adoption:

OSPI estimates it will require the following amount of staff time in FY24 to conduct preliminary rulemaking activities, develop/publish the proposed rule(s), develop/analyze the rulemaking record, and develop/adopt/publish the final rules by the beginning of the 2024-25 school year:

1. 0.05 FTE Executive Director
2. 0.01 FTE Administrative Assistant 3
3. 0.04 FTE Rules Coordinator
4. 0.01 FTE Assistant Superintendent

OSPI estimates the cost associated with this work to be \$24,000 in FY24.

School District Funding:

As the current transitional kindergarten students are funded based on caseload forecasted enrollment using the formula defined in Section 1(3)(a), OSPI assumes no additional funding will be required through the prototypical funding formula for transition to kindergarten program.

Contracts:

OSPI estimates the need for a contract to support programming of three (3) school apportionment and financial systems with the new TTK program to add new revenue codes, reports, and enrollment codes needed to support a new program in the SAFS financial systems. Total estimated programming cost for contract: \$51,000 in FY24.

IT Staffing Costs:

- 0.04 FTE Associate Director’s time in the Apportionment program regarding the Apportionment & form F203 (estimates for state revenues) to test changes to the systems. OSPI estimates the cost associated with this work to be \$7,000 in FY24.
- 0.02 FTE Program Supervisor’s time in the Apportionment program regarding form P223 (monthly report on enrollment) to test changes to the system. OSPI estimates the cost associated with this work to be \$3,000 in FY24.

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	267,000	165,000	432,000	330,000	330,000
Total \$			267,000	165,000	432,000	330,000	330,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.3	1.1	1.2	1.1	1.1
A-Salaries and Wages	117,000	99,000	216,000	198,000	198,000
B-Employee Benefits	65,000	52,000	117,000	104,000	104,000
C-Professional Service Contracts	53,000		53,000		
E-Goods and Other Services	9,000	7,000	16,000	14,000	14,000
G-Travel	9,000	7,000	16,000	14,000	14,000
J-Capital Outlays	14,000		14,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	267,000	165,000	432,000	330,000	330,000

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 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Assistant 3	50,592	0.0		0.0		
Assistant Superintendent	146,268	0.0		0.0		
Associate Director	109,692	0.0		0.0		
Executive Director	140,000	0.2	0.1	0.1	0.1	0.1
Program Supervisor	90,544	0.0		0.0		
Rules Coordinator	82,000	0.0		0.0		
Transition and Inclusion Specialist	85,020	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.3	1.1	1.2	1.1	1.1

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

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

No capital budget impact is anticipated.

Part V: New Rule Making Required

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

OSPI rulemaking is necessary to adopt rules under chapter 34.05 RCW

Individual State Agency Fiscal Note

Bill Number: 1550 2S HB AMS EDU S2590.1	Title: Transition to kindergarten	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: Ailey Kato	Phone: 786-7434	Date: 03/28/2023
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OFM Review: Val Terre	Phone: (360) 280-3973	Date: 03/31/2023

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.

2SHB 1550 AMS EDU S2590.1 Changes compared to 2SHB 1550

Section 1

- Previous section 1 included findings and intent
- New section 1 includes the following:
 - o Section 1(1): Intent
 - o Section 1(2): Requires the Office of the Superintendent of Public Instruction (OSPI) to administer the transition to kindergarten program and adopt rules. Outlines the minimum requirement of rules.
 - o Section 1(3): Outlines what the funding for the transition to kindergarten program must be based on.

Section 2:

- Previous section 2 was removed.
- New section 2(1) was previously section 4(1), however modified.
 - o Section 2(1):
 - ? Strikes subsection 2 and changes it to subsection 3.
 - ? Adds language that rules may provide for individualized exceptions.
 - ? Adds language noting that nothing in this section authorizes school districts, public schools, or OSPI to create state-funded programs based on entry qualification exceptions except as otherwise expressly provided by law.
 - ? Removes previous language regarding fee collection.
 - ? Removes previous language regarding rules providing for exceptions to the uniform entry qualifications for kindergarten beginning with the 2024-25 school year.
- New section 2(2) was previously included in previous section 4(1).
 - o Section 2(2): Adds language that authorizes a preadmission screening process as a prerequisite to granting individualized exceptions to the uniform entry qualifications.
- New section 2(3) was previously section 4(2).

Section 3:

- Previous section 3 was removed.
- New section 3 was previously section 8.

Section 4:

- Previous section 4(1) was modified and moved to section 2(1) and 2(2).
- Previous section 4(2) was moved to section 2(3).
- New section 4 amends RCW 43.88C.010 and 2022 c 2019 s 2 and adds section 4(14) that requires the caseload forecast council to forecast eligible children participating in the transition to kindergarten program under section 1 of this act.

Previous sections 5-7 were removed.

Previous section 8 moved to section 3.

Previous sections 9-12 were removed.

Summary of 2SHB 1550 AMS EDU S2590.1

Section 1 (New):

Section 1(1): Identifies the intent of the bill to continue to rename transitional kindergarten as the transition to kindergarten

program and that the program be established in statute with the goal of assisting eligible children in need of additional preparation to be successful kindergarten students in the following school year.

Section 1(2): Requires the Superintendent of Public Instruction to administer the transition to kindergarten program and adopt rules under chapter 34.05 RCW for the administration of, and the allocation of state funding for, the transition to kindergarten program.

Section 1(2)(a)(i) – (g): Outlines the minimum requirements that the rules must include:

(a)(i) A limitation on program enrollment to eligible children. Eligible children include only those who have been determined to benefit from additional preparation for kindergarten; and are at least four years old by August 31st of the school year they enroll in the transition to kindergarten program.

(a)(ii) Allows school districts and public schools to prioritize families with the lowest incomes and children most in need for additional preparation to be successful in kindergarten when enrolling eligible children in a transition to kindergarten program.

(a)(iii) Inform that access to the transition to kindergarten program does not constitute an individual entitlement for any particular child.

(b) The Washington kindergarten inventory of developing skills as established by RCW 28A.655.080 be administered to all eligible children enrolled in a transition to kindergarten program at the beginning of the child's enrollment in the program and at least one more time during the school year, except for children who have been excused from participation by their parent or legal guardians.

(c) All eligible children enrolled in a transition to kindergarten program be assigned to a statewide student identifier and that the transition to kindergarten program be considered a separate class or course for the purposes of data reporting requirements in RCW 28A.320.175.

(d)(i) A local childcare and early learning needs assessment be conducted before beginning or expanding a transition to kindergarten program that considers the existing availability and affordability of early learning providers.

(d)(ii) OSPI and the Department of Children, Youth, and Families must develop statewide coordinated eligibility, recruitment, enrollment, and selection best practices and provide technical assistance to those implementing a transition to kindergarten program to support connections with the local early learning providers.

(d)(iii) Nothing in this section prohibits school districts and public schools from blending or collocating a transition to kindergarten program with other early learning programs.

(e)(i) School districts and public schools must adhere to guidelines, as developed by OSPI related to best practices for site readiness of facilities that are used for the program, developmentally appropriate curricula that might assist in maintaining high quality programs, and professional development opportunities.

(e)(ii) OSPI must develop a process for conducting site visits of a school district or public school offering a transition to kindergarten program and provide feedback on elements listed in this subsection (2)(e).

(f) Prohibit charging tuition or other fees to state-funded eligible children for enrollment in a transition to kindergarten program.

(g) Prohibit establishing a policy of excluding an eligible child due only to the presence of a disability.

Section 1(3)(a): Details what the funding for the transition to kindergarten must be based on, to include:

- Distribution formula established under RCW 28A.150.260 (4)(a), (5), (6), (8), and (10)(a) and (b), calculated using the actual number of annual average full-time equivalent eligible children enrolled in the program.
- The distribution formula developed in RCW 28A.160.150 through 28A.160.192, calculated using reported ridership for eligible children enrolled in the program.

Section 1(3)(b): Informs that funding is not part of the state's statutory program of basic education under RCW 28A.150.200 and must be expended only for the support of operating a transition to kindergarten program.

Section 2 (Amended):

Section 2(1):

- Strikes subsection 2 and changes it to subsection 3.
- Adds language that rules may provide for individualized exceptions.
- Adds language noting that nothing in this section authorizes school districts, public schools, or OSPI to create state-funded programs based on entry qualification exceptions except as otherwise expressly provided by law.

Section 2(2): Adds language that authorizes a preadmission screening process as a prerequisite to granting individualized exceptions to the uniform entry qualifications.

Section 3 (New)

Section 3(1):

- Requires DCYF to make administrative changes to better align early learning childhood education and assistance program implementation with state-funded early learning programs serving three through five-year old children offered by school districts and public schools.
- Requires DCYF to submit a report, in compliance with RCW 43.01.036, of the administrative changes to the appropriate committees of the legislature by July 1, 2024.

Section 3(2): Informs that this section expires on August 30, 2025.

Section 4 (Amended)

Section 4(14): Language added requiring the caseload forecast council to forecast eligible children participating in the transition to kindergarten program under section 1 of this act.

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.

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.

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

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

No capital budget impact is anticipated.

Part V: New Rule Making Required

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