

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1946 HB	<b>Title:</b> Behav. health scholarship
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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.								
<b>Total \$</b>	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	.0	0	0	0	.0	0	0	0	.0	0	0	0
Student Achievement Council	.7	0	0	237,000	1.6	0	0	556,000	1.6	0	0	556,000
Student Achievement Council	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
<b>Total \$</b>	0.7	0	0	237,000	1.6	0	0	556,000	1.6	0	0	556,000

## 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	.0	0	0	.0	0	0	.0	0	0
Student Achievement Council	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	0.0	0	0	0.0	0	0	0.0	0	0

## Estimated Capital Budget Breakout

NONE

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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1946 HB	<b>Title:</b> Behav. health scholarship	<b>Agency:</b> 303-Department of Health
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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: Saranda Ross	Phone: 360-786-7068	Date: 01/02/2024
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 01/04/2024
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/04/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/07/2024

## 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.*

This bill amends several sections in 28B.115 RCW (Washington Health Corps) to add a behavioral health scholarship program to the Washington Health Corps. The bill requires the Department of Health (department) to provide consultation to the Washington Student Achievement Council (WSAC) to determine eligible credentialed healthcare professionals and determine health professional shortage areas. The department currently provides consultation to the WSAC so this bill does not create any new work for the department and therefore there is no fiscal impact.

### 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

<b>Bill Number:</b> 1946 HB	<b>Title:</b> Behav. health scholarship	<b>Agency:</b> 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	0.0	1.3	0.7	1.6	1.6
<b>Account</b>					
Behavioral Health Loan Repymt Prog Acct-State 24A-1	0	237,000	237,000	556,000	556,000
<b>Total \$</b>	0	237,000	237,000	556,000	556,000

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: 01/02/2024
Agency Preparation: Inez Olive	Phone: 360-485-1147	Date: 01/08/2024
Agency Approval: Brian Richardson	Phone: 360-485-1124	Date: 01/08/2024
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 01/09/2024

## 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 1946 is an act relating to the Washington Health Corps that creates a behavioral health conditional scholarship program (Section 1(2)). Per Section 6(1), the behavioral health loan repayment account can be used for conditional scholarships.

Conditional scholarship participants will be obligated to fulfill a service obligation in a health professional shortage area or an underserved behavioral health area in the state (Section 5(1)).

Section 3(c) defines “service obligation” as an obligation by the behavioral health conditional scholarship participant for a time period no less than three years and no more than five years.

The Washington Student Achievement Council (WSAC) administers the Washington Health Corps (WHC) program. WHC has authorized subprograms within it, including loan repayment and conditional scholarships. At this time, only the loan repayment is currently active.

WSAC’s role is to provide program administration functions which include:

- \*Create application, renewal process, and service tracking (define and implement processes and develop IT systems to support)
- \*Determine eligible credentialed health care professions for the behavioral health conditional scholarship program in consultation with the Department of Health and the Department of Social and Health Services
- \*Determine underserved behavioral health areas for each of the eligible credential health care professions in consultation with the Department of Health and the Department of Social and Health Services
- \*Award, fund, and monitor service obligations for participants
- \*Develop participant contracts
- \*Collect, in the case of contract breaches
- \*Fund management
- \*Update administrative rules

The expenditures impact is indeterminate because they are dependent on behavioral health program outreach into eligible credential pathways by higher education institutions and student completion strategies. Additionally, expenditures are also dependent on a program participant’s ability to fulfill their service obligation.

This fiscal note describes administrative expenses that would be incurred by the Washington Student Achievement Council to administer up to \$2.5M in annual conditional scholarship awards. If the program grows, staffing levels would need to scale 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.*

Per Section 6(1), the behavioral health loan repayment account can be used for conditional scholarships.

Future cash receipts from the behavioral health conditional scholarship program are indeterminate as they are dependent on the level of appropriations allocated for the program expenditures as well as contract breaches resulting in repayment. Repayments would be dependent on the number of eligible participants, award amounts, repayment terms, interest rate and default rate.

Repayment revenue would begin for participants who fail to meet their service obligation as early as six months after the

programs begins. Repayment terms and interest rate to be determined by WSAC and may not exceed two percent (Section 5(2)).

**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 existing Behavioral Health Loan Repayment program provides awardees educational loan repayment in exchange for service in underserved areas. Currently, the Behavioral Health Loan Repayment program provides up to \$75,000 in loan repayment for a minimum of three years up to five years of service (Section 3(1)(b)). Award values for conditional scholarships would be based on appropriation and stakeholder engagement. Additionally, considerations of award amount includes identifying eligible academic programs.

Overall expenditures are indeterminate as the conditional scholarship program is subject to allocated appropriation. Unknown variables include the number of participants, the number of contract breaches service obligation requirements, and individual award amounts.

This fiscal note describes administrative expenses that would be incurred by the WSAC to administer conditional scholarships for an indeterminate number of students. This will require one-time software development work and program staff work during FY25. It is important to note that should the overall WHC program participant count grow, program staffing levels would need to scale up to support program administration.

FY25 costs (one-time) \$237,000: 0.5 FTE program manager, 0.5 FTE software developer, and 0.3 associate director  
 FY26 and ongoing annual costs of \$278,000: 0.7 FTE program manager, 0.3 FTE software developer, 0.3 program coordinator, 0.2 assistant director, and 0.1 associate director

Ongoing program administration functions include:

- \*Determine eligible credentialed health care professions for the behavioral health conditional scholarship program in consultation with the Department of Health and the Department of Social and Health Services
- \*Determine underserved behavioral health areas for each of the eligible credential health care professions in consultation with the Department of Health and the Department of Social and Health Services
- \*Award, fund, and monitor service obligations for participants
- \*Participant contracts
- \*Collect, in the case of contract breaches
- \*Fund management
- \*Develop administrative rules

Staff time estimates are rounded to the nearest 0.1 FTE and staff-related and other costs are rounded to the nearest \$1000.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
24A-1	Behavioral Health Loan Repymt Prog Acct	State	0	237,000	237,000	556,000	556,000
<b>Total \$</b>			0	237,000	237,000	556,000	556,000

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		1.3	0.7	1.6	1.6
A-Salaries and Wages		124,000	124,000	266,000	266,000
B-Employee Benefits		38,000	38,000	108,000	108,000
C-Professional Service Contracts					
E-Goods and Other Services		73,000	73,000	178,000	178,000
G-Travel		2,000	2,000	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-					
<b>Total \$</b>	0	237,000	237,000	556,000	556,000

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
Assistant Director	95,000				0.2	0.2
Associate Director	110,000		0.3	0.2	0.1	0.1
IT Developer	106,000		0.5	0.3	0.3	0.3
Program Coordinator	58,000				0.3	0.3
Program Manager	76,000		0.5	0.3	0.7	0.7
<b>Total FTEs</b>			1.3	0.7	1.6	1.6

**III. D - Expenditures By Program (optional)**

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Financial Aid and Grant Programs (030)		237,000	237,000	556,000	556,000
<b>Total \$</b>		237,000	237,000	556,000	556,000

**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 will need to adopt administrative and program rules per Section 1(5)(b).