

Multiple Agency Fiscal Note Summary

Bill Number: 1943 HB	Title: National guard ed. grants
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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
Military Department	.0	0	0	0	.0	0	0	0	.0	0	0	0
Student Achievement Council	.7	237,000	237,000	237,000	1.1	364,000	364,000	364,000	1.1	364,000	364,000	364,000
Student Achievement Council	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	0.7	237,000	237,000	237,000	1.1	364,000	364,000	364,000	1.1	364,000	364,000	364,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Military Department	.0	0	0	.0	0	0	.0	0	0
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

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Individual State Agency Fiscal Note

Bill Number: 1943 HB	Title: National guard ed. grants	Agency: 245-Military Department
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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: Melanie Rogers	Phone: 253-512-8555	Date: 01/05/2024
Agency Approval: Regan Hesse	Phone: 253-512-7698	Date: 01/05/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/08/2024

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.

Relating to the Washington National Guard postsecondary education grant program, Section 1 clarifies definitions and extends eligibility to a spouse or dependent of an active drilling member of the Washington National Guard. Section 2 increases eligibility by one year or 25% of the published length of the program for a total of 6 years or 150%, and Section 3 clarifies that members are obligated to service requirements or repayment for each year they or their spouse or dependent received the grant.

The Washington National Guard postsecondary education grant program is administered by the Washington Student Achievement Council (WSAC). Fiscal impacts due to expanding the eligibility for this grant will be incurred by WSAC, not the Military Department.

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: 1943 HB	Title: National guard ed. grants	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	0.0	1.3	0.7	1.1	1.1
Account					
General Fund-State 001-1	0	237,000	237,000	364,000	364,000
Total \$	0	237,000	237,000	364,000	364,000

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 1943 expands eligibility to the Washington National Guard Postsecondary Education grant program to include active drilling members' spouses and dependents. The active drilling member will be obligated to fulfill a service obligation for a time period of at least one year of service in the Washington National Guard for each year the eligible participant receives the Washington National Guard Postsecondary Education grant.

Section 1 (2) defines an "eligible student" as a member of the Washington National Guard or the spouse or dependent of, and designated by, a member who agrees to fulfill his or her service obligation.

Section 1 (8) defines "service obligation" as an obligation by the Washington National Guard member to serve in the Washington National Guard for a time period of at least one year of service in the Washington National Guard for each year the grant program participant receives a grant.

HB 1943 also extends grant eligibility from five years to six years or 150% from 125% of a published length of the program in which the participant is enrolled or the credit or clock-hour equivalent.

The Washington Student Achievement Council (WSAC) administers the Washington National Guard Postsecondary Education grant program which is a conditional scholarship program. At this time, the program participant eligibility is limited to active drilling members only.

The expenditures impact is indeterminate because actual Washington National Guard Postsecondary Education grant expenditures are dependent on the level of appropriation, number of applicants, Washington National Guard recruitment and retention patterns, number of National Guard members who want to enter into a service obligation on behalf of a spouse or dependent, number of service breaches and award amounts.

WSAC program administration functions include:

- * Revising the program application, renewal process, and service tracking to include the expansion of eligibility and timeframe (analyze and revise current processes and revise IT systems to support)
- * Administer the selection process with assistance from the Washington military department
- * Revise and maintain data exchange process with the Washington military department
- * Revise participant contracts
- * Collect financial aid award information and select eligible participants
- * Continue to carry out ongoing awarding
- * Monitor maximum timeframe for receiving grant awards
- * Monitor service obligation
- * Revise collection activities, for when an active drilling member breaches a service obligation
- * Fund management
- * Adopt rules

This fiscal note describes administrative expenses that would be incurred by the Washington Student Achievement Council to administer up to \$4M in annual awards. 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.

Future cash receipts from the expansion are indeterminate. Cash receipts would include repayments of grant awards if

Washington Guard members fail to meet their service obligation for grants awards to their spouses and dependents. Repayments would be dependent on the number of new eligible participants (Washington Guard member spouses and dependents), award amounts, repayment terms, interest rate and default rate.

Repayment revenue would begin for Washington Guard members 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 (Section 3(2)).

Receipts are to be deposited with the office (no specific account designated) and shall be used to cover costs of administration of the grant (Section 3(4)).

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.

Overall expenditures are indeterminate as the grant program is subject to allocated appropriation. Unknown variables include the number of spouse and dependent applicants, the number of spouse and dependent whose service member breaches service obligation requirements, and individual grant award amounts.

The existing Washington National Guard Postsecondary Education grant program award max values for the 2023-2024 academic year are:

Two-year community and technical colleges: \$1,500

Western Governors University Washington: \$2,500

Applied baccalaureate programs at community and technical colleges: \$3,500

Four-year regional public institutions: \$3,500

Four-year private non-profit institutions: \$5,500

Four-year public research institutions: \$5,500

Note that the maximum award can also include up to \$500 one-time allowance for books and supplies.

This fiscal note describes administrative expenses that would be incurred by the Washington Student Achievement Council to administer up to \$4M in annual awards. If the program grows, staffing levels would need to scale up accordingly.

This fiscal note describes administrative expenses that would be incurred by the WSAC to modify information systems to expand eligibility to Washington National Guard member spouses and dependents. This will require one-time software development work and program staff work during FY25 to:

- * IT infrastructure that supports an application process and award disbursement for spouses and dependents.
- * Ability to collect the promissory note from the National Guard member separate from the spouse/dependent applicant.
- * Update maximum time frame to 150% of program length.
- * It is important to note that should grant applicant and participant support increase due to the expansion of participant eligibility, 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 \$182,000: 0.5 FTE program manager, 0.2 FTE software developer, 0.3 program coordinator, and 0.1 associate director

Ongoing program administration functions include:

- * Administer the selection process with assistance from the Washington Military Department
- * Maintain data exchange process with the Washington Military Department
- * Participant contracts
- * Collect financial aid award information and select eligible participants
- * Continue to carry out ongoing awarding

- * Monitor maximum timeframe for receiving grant awards
- * Monitor service obligation
- * Collection activities, for when an active drilling member breaches a service obligation
- * Fund management
- * Adopt 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
001-1	General Fund	State	0	237,000	237,000	364,000	364,000
Total \$			0	237,000	237,000	364,000	364,000

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	1.1	1.1
A-Salaries and Wages		124,000	124,000	176,000	176,000
B-Employee Benefits		38,000	38,000	62,000	62,000
C-Professional Service Contracts					
E-Goods and Other Services		73,000	73,000	124,000	124,000
G-Travel		2,000	2,000	2,000	2,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	237,000	237,000	364,000	364,000

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	110,000		0.3	0.2	0.1	0.1
IT Developer	106,000		0.5	0.3	0.2	0.2
Program Coordinator	58,000				0.3	0.3
Program Manager	76,000		0.5	0.3	0.5	0.5
Total FTEs			1.3	0.7	1.1	1.1

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	364,000	364,000
Total \$		237,000	237,000	364,000	364,000

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 rules per Section 3(2).