

Multiple Agency Fiscal Note Summary

Bill Number: 2092 HB	Title: School construction funding
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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				20,051,000		22,064,000
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
Department of Children, Youth, and Families	Fiscal note not available											
Superintendent of Public Instruction	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Children, Youth, and Families	Fiscal note not available								
Superintendent of Public Instruction	.0	0	0	.0	20,051,000	20,051,000	.0	22,064,000	22,064,000
Total \$	0.0	0	0	0.0	20,051,000	20,051,000	0.0	22,064,000	22,064,000

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						20,051,000			22,064,000
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Agency Name	2023-25	2025-27	2027-29
	Total	Total	Total
Construction	0	20,051,000	22,064,000
Grants/Loans	0	20,051,000	22,064,000
Total \$	0	40,102,000	44,128,000

Prepared by: Kelsey Rote, OFM	Phone: (360) 000-0000	Date Published: Preliminary 1/16/2024
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Individual State Agency Fiscal Note

Bill Number: 2092 HB	Title: School construction funding	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:

NONE

Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Pre-design/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	0	9,786,000	10,265,000	10,768,000	11,296,000
Staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total \$	0	0	9,786,000	10,265,000	10,768,000	11,296,000

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: John Wilson-Tepeli	Phone: 360-786-7115	Date: 01/05/2024
Agency Preparation: Kirti Vijay	Phone: 3607256261	Date: 01/11/2024
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/11/2024
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/16/2024

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.

Sec. 1: The new section elaborates on the intent of the bill to include the children served in early learning and before and after care school programs, operated by school districts or their contractors in school district facilities, should be included in the construction funding formula for calculating the student space allocation.

Sec. 2(1) has been modified to reflect that funding from any source appropriated for the school construction assistance program may be used in the implementation of this bill.

Sec. 2(3)(a)(iii) stipulates that preschool age students enrolled in school district facilities must be included as one headcount in the enrollment numbers.

Sec. 2(3)(a)(iv) includes students enrolled in before and after school care programs as one headcount in the enrollment numbers.

Sec. 2(3)(a)(v) elaborates that the enrollment numbers calculated to include the above students must be based on districts' most recent annual average enrollment reports. It must only include students served by the school district or its authorized contractors.

Sec. 2(5) states that the enrollment numbers calculated in the aforesaid sections should be used for computing the student space allocations for the school construction assistance program administered by OSPI.

Sec. 2(7) explains that pre-school age students means children ages birth through six years of age, including developmentally disabled children who are not yet enrolled in kindergarten or elementary school.

Sec. 3(4)(a) defines common schools to include facilities owned by school districts where programs may be operated by the school district or its authorized contractors to serve preschool age students and students in before and after care programs.

Sec. 4 is new and states that the proposed bill will start applying to school construction assistance programs projects being funded starting in fiscal year 2026.

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 the Office of Superintendent of Public Instruction's (OSPI) 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	0	0	0	20,051,000	22,064,000
Total \$			0	0	0	20,051,000	22,064,000

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					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services				20,051,000	22,064,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	0	0	20,051,000	22,064,000

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				20,051,000	22,064,000
Staff					
Other					
Total \$				20,051,000	22,064,000

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 aims to establish a new grant program wherein preschool age students and students being served in before and after care programs will be included in headcount enrollment numbers. These numbers would then be used to calculate the student space allocation for grant funding under the school assistance program administered by OSPI.

Based on the stipulations of the proposed legislation, data around the number of students being served at before and after care programs as well as preschool age students being served in school districts was collected. These numbers were then compared to the enrollment numbers of the respective districts to be able to extrapolate the approximate average statewide number of students that would be served under the new program.

Furthermore, using the current student space allocation of 90 square feet (sq.ft.), an additional lifetime statewide eligibility of about 7.3 million sq.ft. was generated. This calculated eligibility was then individually compared to a sample of districts to be able to calculate its actual translation to SCAP eligibility. Due to the student space allocation being antiquated and most of the school districts building larger, the calculated eligibility was capped at around 820,000 sq.ft. of true SCAP eligibility for the entire state.

Considering the number of new construction projects funded in the SCAP program and their average square footage, it is assumed that an average of 13 such projects for a total of about 54,200 sq.ft. would become eligible for SCAP funding each fiscal year that the new program is implemented starting with fiscal year 2026.

See Attachment 1 for detailed calculations. Below is a summary of the capital budget impact of the program outlined in the proposed legislation.

FY 2025 – No Fiscal Impact

FY 2026 - \$ 9,786,000

FY 2027 - \$ 10,265,000

FY 2028 - \$ 10,768,000

FY 2029 - \$ 11,296,000

FY 2030 - \$ 11,850,000

FY 2031 - \$ 12,430,000

FY 2032 - \$ 13,039,000

FY 2033 - \$ 13,678,000

FY 2034 - \$ 14,348,000

FY 2035 - \$ 15,051,000

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
 HB 2092 - School Construction Funding
 Attachment 1

Details	2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium		2033-35 Biennium	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Estimated increased square footage of SCAP eligibility	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169
Average number of projects per SCAP fiscal year release	13	13	13	13	13	13	13	13	13	13
Estimated total increase in square footage of SCAP eligibility	54,200	54,200	54,200	54,200	54,200	54,200	54,200	54,200	54,200	54,200
Current CCA	\$ 284.92	\$ 298.88	\$ 313.53	\$ 328.89	\$ 345.01	\$ 361.92	\$ 379.65	\$ 398.25	\$ 417.76	\$ 438.23
Average State FAP	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%
Total estimated project costs	\$ 9,786,000	\$ 10,265,000	\$ 10,768,000	\$ 11,296,000	\$ 11,850,000	\$ 12,430,000	\$ 13,039,000	\$ 13,678,000	\$ 14,348,000	\$ 15,051,000
Biennial Total estimated project costs		20,051,000		22,064,000		24,280,000		26,717,000		29,399,000

Individual State Agency Fiscal Note

Bill Number: 2092 HB	Title: School construction funding	Agency: 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 District-Private/Local New-7				20,051,000	22,064,000
Total \$				20,051,000	22,064,000

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	9,786,000	10,265,000	10,768,000	11,296,000
Grants/Loans	0	0	0	0	0	0
Staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total \$	0	0	9,786,000	10,265,000	10,768,000	11,296,000

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: John Wilson-Tepeli	Phone: 360-786-7115	Date: 01/05/2024
Agency Preparation: Kirti Vijay	Phone: 3607256261	Date: 01/11/2024
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/11/2024
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/16/2024

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.

Sec. 1: The new section elaborates on the intent of the bill to include the children served in early learning and before and after care school programs, operated by school districts or their contractors in school district facilities, should be included in the construction funding formula for calculating the student space allocation.

Sec. 2(1) has been modified to reflect that funding from any source appropriated for the school construction assistance program may be used in the implementation of this bill.

Sec. 2(3)(a)(iii) stipulates that preschool age students enrolled in school district facilities must be included as one headcount in the enrollment numbers.

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Sec. 2(5) states that the enrollment numbers calculated in the aforesaid sections should be used for computing the student space allocations for the school construction assistance program administered by OSPI.

Sec. 2(7) explains that pre-school age students means children ages birth through six years of age, including developmentally disabled children who are not yet enrolled in kindergarten or elementary school.

Sec. 3(4)(a) defines common schools to include facilities owned by school districts where programs may be operated by the school district or its authorized contractors to serve preschool age students and students in before and after care programs.

Sec. 4 is new and states that the proposed bill will start applying to school construction assistance programs projects being funded starting in fiscal year 2026.

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 aims to establish a new grant program wherein preschool age students and students being served in before and after care programs will be included in headcount enrollment numbers. These numbers would then be used to calculate the student space allocation for grant funding under the school assistance program administered by OSPI.

Please see attachment 1 for detailed calculations. However, based on the calculations, the following funding would be available to the school districts applying for SCAP projects to be released beginning in fiscal year 2026,

FY 2025 – No Fiscal Impact

FY 2026 - \$ 9,786,000

FY 2027 - \$ 10,265,000

FY 2028 - \$ 10,768,000

FY 2029 - \$ 11,296,000

FY 2030 - \$ 11,850,000

FY 2031 - \$ 12,430,000
 FY 2032 - \$ 13,039,000
 FY 2033 - \$ 13,678,000
 FY 2034 - \$ 14,348,000
 FY 2035 - \$ 15,051,000

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.

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 District	State	0	0	0	20,051,000	22,064,000
Total \$			0	0	0	20,051,000	22,064,000

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				20,051,000	22,064,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	0	0	20,051,000	22,064,000

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				20,051,000	22,064,000
Grants/Loans					
Staff					
Other					
Total \$				20,051,000	22,064,000

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 aims to establish a new grant program wherein preschool age students and students being served in before and after care programs will be included in headcount enrollment numbers. These numbers would then be used to calculate the student space allocation for grant funding under the school assistance program administered by OSPI.

Based on the stipulations of the proposed legislation, data around the number of students being served at before and after care programs as well as preschool age students being served in school districts was collected. These numbers were then compared to the enrollment numbers of the respective districts to be able to extrapolate the approximate average statewide number of students that would be served under the new program.

Furthermore, using the current student space allocation of 90 square feet (sq.ft.), an additional lifetime statewide eligibility of about 7.3 million sq.ft. was generated. This calculated eligibility was then individually compared to a sample of districts to be able to calculate its actual translation to SCAP eligibility. Due to the student space allocation being antiquated and most of the school districts building larger, the calculated eligibility was capped at around 820,000 sq.ft. of true SCAP eligibility for the entire state.

Considering the number of new construction projects funded in the SCAP program and their average square footage, it is assumed that an average of 13 such projects for a total of about 54,200 sq.ft. would become eligible for SCAP funding each fiscal year that the new program is implemented starting with fiscal year 2026.

See Attachment 1 for detailed calculations. Below is a summary of the capital budget funding that would be available to the school districts as per the program outlined in the proposed legislation.

- FY 2025 – No Fiscal Impact
- FY 2026 - \$ 9,786,000
- FY 2027 - \$ 10,265,000
- FY 2028 - \$ 10,768,000
- FY 2029 - \$ 11,296,000
- FY 2030 - \$ 11,850,000
- FY 2031 - \$ 12,430,000
- FY 2032 - \$ 13,039,000
- FY 2033 - \$ 13,678,000
- FY 2034 - \$ 14,348,000
- FY 2035 - \$ 15,051,000

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
 HB 2092 - School Construction Funding
 Attachment 1

Details	2025-27 Biennium		2027-29 Biennium		2029-31 Biennium		2031-33 Biennium		2033-35 Biennium	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Estimated increased square footage of SCAP eligibility	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169
Average number of projects per SCAP fiscal year release	13	13	13	13	13	13	13	13	13	13
Estimated total increase in square footage of SCAP eligibility	54,200	54,200	54,200	54,200	54,200	54,200	54,200	54,200	54,200	54,200
Current CCA	\$ 284.92	\$ 298.88	\$ 313.53	\$ 328.89	\$ 345.01	\$ 361.92	\$ 379.65	\$ 398.25	\$ 417.76	\$ 438.23
Average State FAP	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%	63.37%
Total estimated project costs	\$ 9,786,000	\$ 10,265,000	\$ 10,768,000	\$ 11,296,000	\$ 11,850,000	\$ 12,430,000	\$ 13,039,000	\$ 13,678,000	\$ 14,348,000	\$ 15,051,000
Biennial Total estimated project costs		20,051,000		22,064,000		24,280,000		26,717,000		29,399,000