

Individual State Agency Fiscal Note

Bill Number: 5958 SB	Title: Career skills grant program	Agency: 340-Student Achievement Council
-----------------------------	---	--

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	1.6	0.8	1.1	0.6
Account					
General Fund-State 001-1	0	288,000	288,000	364,000	182,000
Total \$	0	288,000	288,000	364,000	182,000

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: Alicia Kinne-Clawson	Phone: 360-786-7407	Date: 01/11/2024
Agency Preparation: Inez Olive	Phone: 360-485-1147	Date: 01/16/2024
Agency Approval: Brian Richardson	Phone: 360-485-1124	Date: 01/16/2024
OFM Review: Ramona Nabors	Phone: (360) 742-8948	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.

SB 5958 establishes the Washington Career Skills grant program, which will be administered by the Washington Student Achievement Council (WSAC). The grant program is established to incentivize the creation of short-term and micro credentialing opportunities and programs relevant to the retail sector by providing grants to eligible students enrolled in high quality short-term workforce programs (Section 2 (1)). The Washington Career Skills grant will establish a grant program for short-term non-credit workforce credentials that are not eligible for federal or state financial aid for individuals who have yet to earn a baccalaureate degree. Eligible short-term non-credit programs must be in an in-demand industry relevant to the retail sector. The Washington Career Skills grant program will be terminated on July 1, 2029 (Section 6).

Section 1 (1)(b) defines an “eligible student” as a student who is enrolled in a short-term workforce credential in an in-demand industry.

Section 1 (2) defines “in-demand industry” as an industry with a nexus to the retail sector.

Section 1 (6) defines “short-term workforce credential” as a high quality non-credit bearing short-term workforce credential as determined by the WSAC with a clear workforce benefit. Additionally, the credential must be able to be completed in 12 months or less.

Section 2 (1)(a) states that the grant maximum cannot exceed the maximum Washington College Grant (WCG) plus \$500 stipend.

Section 3 (c) states that eligible programs cannot extend beyond one year or 125 percent of the published program length.

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

- * Determine award amounts based on Section 2 (1)(a) and Section 3 (1)(b)
- * Develop a process for collecting the necessary data to evaluate the effectiveness of the program which may include entering data-sharing agreements as stated in Section 2 (1)(b)
- * Develop an IT infrastructure that supports an application process, awarding and disbursing of grant funds
- * Develop a program application and contract process
- * Collect financial aid award information and select eligible participants
- * Carry out awarding
- * Monitor maximum timeframe for receiving grant awards
- * Submit an annual legislative report (Section 4)
- * Fund management
- * Adopt rules

The expenditure impact is indeterminate because the Washington Career Skills grant program expenditures are dependent on the level of appropriation, number of applicants, number of eligible programs, and award amounts.

This fiscal note describes administrative expense that would be incurred by the Washington Student Achievement Council to administer up to:

\$1M in FY 2025
\$2M in FY 2026
\$2M in FY 2027
\$1M in FY 2028

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.

SB 5958 establishes the Washington Career Skills grant program.

Future cash receipts are indeterminate for any grant programs administered by the WSAC because they are dependent on program utilization rates of those opting to use the grants are unknown and program administration adopted rules.

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 expenditure impact is indeterminate because the Washington Career Skills grant program expenditures are dependent on the level of appropriation, number of applicants, number of eligible programs, and award amounts.

This fiscal note describes administrative expenses that would be incurred by the Washington Student Achievement Council to administer up to:

\$1M in FY 2025
\$2M in FY 2026
\$2M in FY 2027
\$1M in FY 2028

Administrative expenses to develop information systems for the Washington Career Skills grant program will require one-time software development and program staff work during FY25 for:

- * IT infrastructure that supports an application process, awarding and disbursement of grant funds
- * Development of data-sharing agreements and data sharing processes.
- * Development of program policies and IT infrastructure to monitor maximum time frame of one year or 125 percent of the published program length

FY25 costs (one-time) \$288,000: 0.5 FTE program manager, 0.5 FTE software developer, 0.3 FTE program coordinator, and 0.3 FTE associate director

FY26 through FY28 annual costs \$182,000: 0.5 FTE program manager, 0.2 FTE software developer, 0.3 FTE program coordinator, and 0.1 FTE associate director

Ongoing program administration functions include:

- * Administer the selection process
- * Maintain data-sharing agreements
- * Maintaining eligible program contracts
- * Collect financial aid award information and select eligible participants
- * Carry out awarding
- * Monitor maximum timeframe for receiving grant awards
- * Submitting an annual legislative report
- * 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	288,000	288,000	364,000	182,000
Total \$			0	288,000	288,000	364,000	182,000

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		1.6	0.8	1.1	0.6
A-Salaries and Wages		142,000	142,000	176,000	88,000
B-Employee Benefits		55,000	55,000	62,000	31,000
C-Professional Service Contracts					
E-Goods and Other Services		89,000	89,000	124,000	62,000
G-Travel		2,000	2,000	2,000	1,000
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	288,000	288,000	364,000	182,000

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	0.1
Program Coordinator	58,000		0.3	0.2	0.3	0.2
Program Manager	76,000		0.5	0.3	0.5	0.3
Total FTEs			1.6	0.8	1.1	0.6

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Financial Aid and Grant Programs (030)		288,000	288,000	364,000	182,000
Total \$		288,000	288,000	364,000	182,000

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).