

# Multiple Agency Fiscal Note Summary

|                             |  |
|-----------------------------|--|
| <b>Bill Number:</b> 1897 HB | <b>Title:</b> Charter schools/enrichment |
|-----------------------------|--|

## 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 |           | 5,385,000 |           | 20,522,000 |           | 21,560,000 |
| 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             |
| Superintendent of Public Instruction | .0         | 3,700        | 5,388,700        | 5,388,700        | .0         | 0        | 20,522,000        | 20,522,000        | .0         | 0        | 21,560,000        | 21,560,000        |
| <b>Total \$</b>                      | <b>0.0</b> | <b>3,700</b> | <b>5,388,700</b> | <b>5,388,700</b> | <b>0.0</b> | <b>0</b> | <b>20,522,000</b> | <b>20,522,000</b> | <b>0.0</b> | <b>0</b> | <b>21,560,000</b> | <b>21,560,000</b> |

| 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 |         |          | 5,385,000 |         |          | 20,522,000 |         |          | 21,560,000 |
| 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    |
| Superintendent of Public Instruction | .0         | 0        | 0        | .0         | 0        | 0        | .0         | 0        | 0        |
| <b>Total \$</b>                      | <b>0.0</b> | <b>0</b> | <b>0</b> | <b>0.0</b> | <b>0</b> | <b>0</b> | <b>0.0</b> | <b>0</b> | <b>0</b> |

## Estimated Capital Budget Breakout

|  |                                 |   |
|--|---------------------------------|---|
| <b>Prepared by:</b> Brian Fechter, OFM | <b>Phone:</b><br>(360) 688-4225 | <b>Date Published:</b><br>Final 1/23/2024 |
|--|---------------------------------|---|

# Individual State Agency Fiscal Note

|                             |  |   |
|-----------------------------|--|---|
| <b>Bill Number:</b> 1897 HB | <b>Title:</b> Charter schools/enrichment | <b>Agency:</b> 350-Superintendent of Public Instruction |
|-----------------------------|--|---|

## 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    |
|---|---------|-----------|-----------|------------|------------|
| <b>Account</b>                              |         |           |           |            |            |
| General Fund-State 001-1                    | 0       | 3,700     | 3,700     | 0          | 0          |
| WA Opportunity Pathways Account-State 17F-1 | 0       | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |
| <b>Total \$</b>                             | 0       | 5,388,700 | 5,388,700 | 20,522,000 | 21,560,000 |

### 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: James Mackison | Phone: 360-786-7104   | Date: 01/09/2024 |
| Agency Preparation: Melissa Jarmon  | Phone: 360 725-6302   | Date: 01/14/2024 |
| Agency Approval: Michelle Matakas   | Phone: 360 725-6019   | Date: 01/14/2024 |
| OFM Review: Brian Fechter           | Phone: (360) 688-4225 | Date: 01/15/2024 |

## 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.

#### Section 2

(1) Specifies charter schools are eligible to apply for state grants on the same basis as a school district.

(2)(b)(vi) Includes charter schools are eligible for state local effort assistance using the charter school's location within the boundaries of a school district's per-pupil enrichment grant.

### 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.

None

### 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.

OSPI assumes the cost to set up the new LEA grant for charter schools to be \$3,700.

OSPI assumes that LEA funds to Charter Schools begin with the 2025 Calendar Year levy collection. In addition, of these funds the Charter School Authorizers are assumed to receive 3% as the oversight fee.

## 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       | 3,700     | 3,700     | 0          | 0          |
| 17F-1           | WA Opportunity Pathways Account | State | 0       | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |
| <b>Total \$</b> |                                 |       | 0       | 5,388,700 | 5,388,700 | 20,522,000 | 21,560,000 |

### III. 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 |         | 5,388,700 | 5,388,700 | 20,522,000 | 21,560,000 |
| P-Debt Service                       |         |           |           |            |            |
| S-Interagency Reimbursements         |         |           |           |            |            |
| T-Intra-Agency Reimbursements        |         |           |           |            |            |
| 9-                                   |         |           |           |            |            |
| <b>Total \$</b>                      | 0       | 5,388,700 | 5,388,700 | 20,522,000 | 21,560,000 |

**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

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.*

| Table 1: HB 1897 Fiscal Impacts Section 2 |      |              |               |               |               |               |
|---|------|--------------|---------------|---------------|---------------|---------------|
| Calendar Year                             | 2024 | 2025         | 2026          | 2027          | 2028          | 2029          |
| Local Effort Assistance                   | \$ - | \$ 9,791,115 | \$ 10,267,735 | \$ 10,634,277 | \$ 10,705,145 | \$ 11,035,083 |
| State Fiscal Year                         | 2024 | 2025         | 2026          | 2027          | 2028          | 2029          |
| Local Effort Assistance                   | \$ - | \$ 5,385,113 | \$ 10,053,256 | \$ 10,469,333 | \$ 10,673,254 | \$ 10,886,611 |

| Table 2: HB 1897 Total Fiscal Impacts - By Fiscal Year |                     |                     |                      |                      |                      |                      |
|--|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| State Fiscal Year                                      | 2024                | 2025                | 2026                 | 2027                 | 2028                 | 2029                 |
| GFS - 001 New Grant Form Package                       | \$ -                | \$ 3,700            | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| GFS - 17F - Section 2                                  | \$ -                | \$ 5,385,000        | \$ 10,053,000        | \$ 10,469,000        | \$ 10,673,000        | \$ 10,887,000        |
| <b>Total</b>   | <b>\$ -</b>         | <b>\$ 5,388,700</b> | <b>\$ 10,053,000</b> | <b>\$ 10,469,000</b> | <b>\$ 10,673,000</b> | <b>\$ 10,887,000</b> |
| Biennium   | 2023-25             |                     | 2025-27              |                      | 2027-29              |                      |
| GFS - 001 Section 2 & 4                                | \$ 3,700            |                     | \$ -                 |                      | \$ -                 |                      |
| GFS - 17F - Section 2                                  | \$ 5,385,000        |                     | \$ 20,522,000        |                      | \$ 21,560,000        |                      |
| <b>Total</b>   | <b>\$ 5,388,700</b> |                     | <b>\$ 20,522,000</b> |                      | <b>\$ 21,560,000</b> |                      |

# Individual State Agency Fiscal Note

|                             |  |  |
|-----------------------------|--|--|
| <b>Bill Number:</b> 1897 HB | <b>Title:</b> Charter schools/enrichment | <b>Agency:</b> SDF-School District Fiscal Note - SPI |
|-----------------------------|--|--|

## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

| ACCOUNT  | FY 2024 | FY 2025   | 2023-25   | 2025-27    | 2027-29    |
|--|---------|-----------|-----------|------------|------------|
| WA Opportunity Pathways Account-State<br>17F-1 |         | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |
| <b>Total \$</b>                                |         | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |

### Estimated Operating Expenditures from:

| Account                                      | FY 2024 | FY 2025   | 2023-25   | 2025-27    | 2027-29    |
|--|---------|-----------|-----------|------------|------------|
| school district local-Private/Local<br>new-7 | 0       | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |
| <b>Total \$</b>                              | 0       | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |

### 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.
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|                                     |                       |                  |
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## 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 2

(1) Specifies charter schools are eligible to apply for state grants on the same basis as a school district.

(2)(b)(vi) Includes charter schools are eligible for state local effort assistance using the charter school's location within the boundaries of a school district's per-pupil enrichment grant.

### 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.

Cash revenue equals state expenditures.

### 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.

OSPI assumes local education agencies will expend all revenue received in full. See attached table for calendar year to fiscal year conversation and state note for further expenditure assumptions.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

| Account         | Account Title         | Type          | FY 2024 | FY 2025   | 2023-25   | 2025-27    | 2027-29    |
|-----------------|-----------------------|---------------|---------|-----------|-----------|------------|------------|
| new-7           | school district local | Private/Local | 0       | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |
| <b>Total \$</b> |                       |               | 0       | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |

### III. 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 |         | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |
| P-Debt Service                       |         |           |           |            |            |
| S-Interagency Reimbursements         |         |           |           |            |            |
| T-Intra-Agency Reimbursements        |         |           |           |            |            |
| 9-                                   |         |           |           |            |            |
| <b>Total \$</b>                      | 0       | 5,385,000 | 5,385,000 | 20,522,000 | 21,560,000 |

**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.*



| Table 1: HB 1897 Fiscal Impacts Section 2 |             |                     |                      |                      |                      |                      |
|---|-------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| Calendar Year                             | 2024        | 2025                | 2026                 | 2027                 | 2028                 | 2029                 |
| Local Effort Assistance                   | \$ -        | \$ 9,791,115        | \$ 10,267,735        | \$ 10,634,277        | \$ 10,705,145        | \$ 11,035,083        |
| <b>Total</b>                              | <b>\$ -</b> | <b>\$ 9,791,115</b> | <b>\$ 10,267,735</b> | <b>\$ 10,634,277</b> | <b>\$ 10,705,145</b> | <b>\$ 11,035,083</b> |

| Table 2: HB 1897 Total Fiscal Impacts - By Fiscal Year |                     |                     |                      |                      |                      |                      |
|--|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| State Fiscal Year                                      | 2024                | 2025                | 2026                 | 2027                 | 2028                 | 2029                 |
| Local Effort Assistance                                | \$ -                | \$ 5,385,000        | \$ 10,053,000        | \$ 10,469,000        | \$ 10,673,000        | \$ 10,887,000        |
| <b>Total</b>   | <b>\$ -</b>         | <b>\$ 5,385,000</b> | <b>\$ 10,053,000</b> | <b>\$ 10,469,000</b> | <b>\$ 10,673,000</b> | <b>\$ 10,887,000</b> |
| Biennium   | 2023-25             |                     | 2025-27              |                      | 2027-2029            |                      |
| Prototypical Funding                                   | \$ -                | \$ -                | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| Local Effort Assistance                                | \$ 5,385,000        | \$ -                | \$ 20,522,000        | \$ -                 | \$ -                 | \$ 21,560,000        |
| Enrichment Levy  | \$ -                | \$ -                | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| <b>Total</b>   | <b>\$ 5,385,000</b> | <b>\$ -</b>         | <b>\$ 20,522,000</b> | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ 21,560,000</b> |