

Multiple Agency Fiscal Note Summary

Bill Number: 2458 HB	Title: K-12 experience factors
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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	Non-zero but indeterminate cost and/or savings. Please see discussion.					
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	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
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
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

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Phone:
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Date Published:
Final 1/30/2024

Individual State Agency Fiscal Note

Bill Number: 2458 HB	Title: K-12 experience factors	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:

Non-zero but indeterminate cost 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: James Mackison	Phone: 360-786-7104	Date: 01/23/2024
Agency Preparation: Michelle Matakas	Phone: 360 725-6019	Date: 01/29/2024
Agency Approval: TJ Kelly	Phone: 360 725-6301	Date: 01/29/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 01/30/2024

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 requires that, beginning in the 2024-25 school year, school district eligibility for the experience mix factor must be based on staffing data reported by the district to OSPI as of December 31st of the school year preceding the allocation. OSPI must calculate eligible and ineligible school districts and share a list with fiscal committees of the legislature by January 15th of each year. The list must also be posted on the agency's website. OSPI may develop rules to implement this section to ensure a consistent methodology for the calculation.

School districts eligible for the experience mix factor in the 2023-24 school year must also be eligible for the 2024-25 school year.

Beginning in the 2025-26 school year, for school districts not eligible for the experience mix factor, but were eligible in the previous school year, the experience mix factor is reduced to two percentage points.

Beginning in the 2026-27 school year, school districts not eligible for experience mix factor under this section for two consecutive years receive no experience mix factor.

Remaining changes in the bill are either outdated due to time bound language or technical clean-up of the under lying requirements.

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.

For the purposes of this fiscal note, OSPI is using the list of eligible districts for the 2023-24 school year as calculated and published by LEAP.

OSPI is calculating the fiscal impacts using S-275 reporting rules and definitions in determining average education and classroom experience for staff upon which the determination of experience mix eligibility is found.

Since OSPI cannot reasonably project future employment or district of employment for any individual staff unit, we are unable to project the impact of this bill at a school district level or for out years.

The costs described below are based on a one-year calculation of eligibility for the 2024-25 school year using 2023-24 preliminary personnel data as reported in the S-275.

All districts receiving experience mix in SY 2023-24 will continue to receive experience mix in SY 2024-25. OSPI estimates 27 additional districts will be newly eligible to qualify for experience mix. The cost of these 27 districts eligible for the additional 4% experience mix is estimated at \$61 million for SY 2024-25 which equates to \$47.3 million FY 2025 and \$13.7 million for FY 2026.

OSPI is not able to reasonably predict future staff hiring to estimate either hold harmless costs beginning with SY 2025-26 or qualifying districts for experience mix in future years, therefore the note is indeterminate.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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: 2458 HB	Title: K-12 experience factors	Agency: SDF-School District Fiscal Note - SPI
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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:

Non-zero but indeterminate cost 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: James Mackison	Phone: 360-786-7104	Date: 01/23/2024
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Agency Approval: TJ Kelly	Phone: (360) 725-6301	Date: 01/29/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 01/30/2024

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 requires that, beginning in the 2024-25 school year, school district eligibility for the experience mix factor must be based on staffing data reported by the district to OSPI as of December 31st of the school year preceding the allocation. OSPI must calculate eligible and ineligible school districts and share a list with fiscal committees of the legislature by January 15th of each year. The list must also be posted on the agency's website. OSPI may develop rules to implement this section to ensure a consistent methodology for the calculation.

School districts eligible for the experience mix factor in the 2023-24 school year must also be eligible for the 2024-25 school year.

Beginning in the 2025-26 school year, for school districts not eligible for the experience mix factor, but were eligible in the previous school year, the experience mix factor is reduced to two percentage points.

Beginning in the 2026-27 school year, school districts not eligible for experience mix factor under this section for two consecutive years receive no experience mix factor.

Remaining changes in the bill are either outdated due to time bound language or technical clean-up of the under lying requirements.

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.

School district revenue is equal to state expenditures.

Since OSPI cannot reasonably project future employment or district of employment for any individual staff unit, we are unable to project the impact of this bill at a school district level.

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 that school district expenditures are equal to school district revenue since these funds are part of the compensation allocation provided through the prototypical school funding formula.

All districts receiving experience mix in SY 2023-24 will continue to receive experience mix in SY 2024-25. OSPI estimates 27 additional districts will be newly eligible to qualify for experience mix in SY 2024-25 with this bill.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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.