

Multiple Agency Fiscal Note Summary

Bill Number: 2180 S HB	Title: Special education cap
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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		28,557,000		76,508,000		79,988,000
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
Office of State Auditor	2.4	639,899	639,899	639,899	2.4	213,300	213,300	213,300	.0	0	0	0
Superintendent of Public Instruction	.0	28,391,000	28,557,000	28,557,000	.0	76,070,000	76,508,000	76,508,000	.0	79,533,000	79,988,000	79,988,000
Total \$	2.4	29,030,899	29,196,899	29,196,899	2.4	76,283,300	76,721,300	76,721,300	0.0	79,533,000	79,988,000	79,988,000

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			28,557,000			76,508,000			79,988,000
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
Office of State Auditor	.0	0	0	.0	0	0	.0	0	0
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

Estimated Capital Budget Breakout

Prepared by: Brian Fechter, OFM

Phone:
(360) 688-4225

Date Published:
Final 2/23/2024

Individual State Agency Fiscal Note

Bill Number: 2180 S HB	Title: Special education cap	Agency: 095-Office of State Auditor
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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
FTE Staff Years	0.0	4.7	2.4	2.4	0.0
Account					
General Fund-State 001-1	0	639,899	639,899	213,300	0
Total \$	0	639,899	639,899	213,300	0

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: 02/03/2024
Agency Preparation: Charleen Patten	Phone: 564-999-0941	Date: 02/12/2024
Agency Approval: Janel Roper	Phone: 564-999-0820	Date: 02/12/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/12/2024

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 the state auditor to review the prevalence of disabilities and whether the provisions and funding for evaluating students and providing services reflects the prevalence of disabilities, including whether any populations are disparately under evaluated or underserved, with a report by November 30, 2025. This is a one-time performance audit as outlined in the proposed legislation.

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.

As this legislation is silent on the funding related to this work, the SAO is assuming this work will be funded using general fund appropriations - therefore no cash receipts are estimated.

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.

5,000 SAO staff hours are estimated to complete the work outlined in Section 2. This includes 3,500 hours for staff at the performance auditor level, 1,250 hours for a senior performance auditor and 250 hours of oversight for a principal performance auditor. Contracting costs are estimated at \$150,000 for procuring subject matter experts. This reflects our management team's best estimate of what it would take to conduct a performance audit outlined in the legislation. The SAO used past experience with performance audits of moderate complexity and scope to estimate time to produce a quality audit that will meet applicable auditing standards.

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	639,899	639,899	213,300	0
Total \$			0	639,899	639,899	213,300	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		4.7	2.4	2.4	
A-Salaries and Wages		389,454	389,454	129,818	
B-Employee Benefits		81,695	81,695	27,232	
C-Professional Service Contracts		112,500	112,500	37,500	
E-Goods and Other Services		56,250	56,250	18,750	
G-Travel					
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	639,899	639,899	213,300	0

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
Admin/Overhead	101,985		0.5	0.3	0.3	
Performance Auditor 2	105,612		2.7	1.4	1.4	
Principal Performance Auditor	138,185		0.3	0.2	0.2	
Senior Performance Auditor	124,453		1.2	0.6	0.6	
Total FTEs			4.7	2.4	2.4	0.0

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: 2180 S HB	Title: Special education cap	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:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
General Fund-State 001-1	0	28,391,000	28,391,000	76,070,000	79,533,000
WA Opportunity Pathways Account-State 17F-1	0	166,000	166,000	438,000	455,000
Total \$	0	28,557,000	28,557,000	76,508,000	79,988,000

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: 02/03/2024
Agency Preparation: Melissa Jarmon	Phone: 360 725-6302	Date: 02/23/2024
Agency Approval: TJ Kelly	Phone: 360 725-6301	Date: 02/23/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 02/23/2024

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.

Substitute includes State Auditor review of the prevalence of disabilities and report findings and recommendations to the governor and committees by November 30, 2025.

Changes the funded special education enrollment cap from 15% to be 17.25% starting with SY 2024-25.

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 uses the calculated special education enrollment percent from January 2024 apportionment to estimate the impact to special education enrollment when raising the funded CAP. These enrollment changes have been applied to the November 2023 caseload forecast to estimate prototypical model special education funding increases. For more details and a school year to fiscal year conversion, please see attached table.

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	28,391,000	28,391,000	76,070,000	79,533,000
17F-1	WA Opportunity Pathways Account	State	0	166,000	166,000	438,000	455,000
Total \$			0	28,557,000	28,557,000	76,508,000	79,988,000

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		28,557,000	28,557,000	76,508,000	79,988,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	28,557,000	28,557,000	76,508,000	79,988,000

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.

Individual State Agency Fiscal Note

Bill Number: 2180 S HB	Title: Special education cap	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
school district local-Private/Local New-7		28,557,000	28,557,000	76,508,000	79,988,000
Total \$		28,557,000	28,557,000	76,508,000	79,988,000

Estimated Operating Expenditures from:

Account	FY 2024	FY 2025	2023-25	2025-27	2027-29
school district local-Private/Local NEW-7	0	28,557,000	28,557,000	76,508,000	79,988,000
Total \$	0	28,557,000	28,557,000	76,508,000	79,988,000

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).
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Legislative Contact: James Mackison	Phone: 360-786-7104	Date: 02/03/2024
Agency Preparation: Melissa Jarmon	Phone: 360 725-6302	Date: 02/23/2024
Agency Approval: TJ Kelly	Phone: (360) 725-6301	Date: 02/23/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 02/23/2024

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.

Substitute includes State Auditor review of the prevalence of disabilities and report findings and recommendations to the governor and committees by November 30, 2025.

Changes the funded enrollment cap to be 17.25% starting with SY 2024-25.

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. See State note for further details.

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 State note for further details.

Additional costs above state allocation, if any, will be a result of collective bargaining.

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	28,557,000	28,557,000	76,508,000	79,988,000
Total \$			0	28,557,000	28,557,000	76,508,000	79,988,000

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		28,557,000	28,557,000	76,508,000	79,988,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	28,557,000	28,557,000	76,508,000	79,988,000

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.