

Multiple Agency Fiscal Note Summary

Bill Number: 5027 SB	Title: Law school loan repayment
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Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	Fiscal note not available											
Student Achievement Council	2.2	755,000	755,000	755,000	1.7	576,000	576,000	576,000	1.7	576,000	576,000	576,000
Student Achievement Council	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	2.2	755,000	755,000	755,000	1.7	576,000	576,000	576,000	1.7	576,000	576,000	576,000

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	Fiscal note not available								
Student Achievement Council	.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

NONE

Prepared by: Ramona Nabors, OFM	Phone: (360) 742-8948	Date Published: Preliminary 1/19/2025
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Individual State Agency Fiscal Note

Bill Number: 5027 SB	Title: Law school loan repayment	Agency: 090-Office of State Treasurer
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.
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Estimated Operating Expenditures from:

NONE

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: Kellee Gunn	Phone: 786-7429	Date: 01/10/2025
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 01/13/2025
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 01/13/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 01/19/2025

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 5027 creates the law school loan repayment program for public defenders and prosecutors account coupled with the general fund as the recipient of the earnings from investments under RCW 43.79A.040(4).

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.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable.

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.

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

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: 5027 SB	Title: Law school loan repayment	Agency: 340-Student Achievement Council
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.6	1.7	2.2	1.7	1.7
Account					
General Fund-State 001-1	467,000	288,000	755,000	576,000	576,000
Total \$	467,000	288,000	755,000	576,000	576,000

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: Kellee Gunn	Phone: 786-7429	Date: 01/10/2025
Agency Preparation: Inez Olive	Phone: 360-485-1147	Date: 01/15/2025
Agency Approval: Brian Richardson	Phone: 360-485-1124	Date: 01/15/2025
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 01/16/2025

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 5027 establishes a loan repayment program for public defense attorneys and prosecutors.

Loan repayment program participants will be obligated to fulfill a service obligation by practicing full time in public defense or as a prosecutor in Washington state (Section 1(3)).

Section 1(4) states that participants in the program must make a commitment to maintain employment or contract status for at least three years in one or more qualifying positions providing full-time work as a public defender or prosecuting attorney.

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

- * Create application, renewal process, and service tracking (define and implement processes and develop IT systems to support)
- * Outreach to prospective applicants, law school programs, and employers.
- * Administer the selection process
- * Award, fund, and monitor service obligations for participants
- * Develop participant contracts
- * Collect student loan debt data and select eligible participants
- * Carry out ongoing awarding
- * Monitor maximum timeframe for receiving awards
- * Monitor service obligation
- * Collect, in the case of contract breaches
- * Fund management
- * Adopt rules

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.

Per Section 2(1), a law school repayment program for public defenders and prosecutors is established within the Washington Student Achievement Council and administered by the office.

Future cash receipts from the loan repayment program for public defense attorneys and prosecutors program are indeterminate as they are dependent on the level of appropriations allocated for the program expenditures, number of applicants, number of current attorneys with student loan debt, number of public defense attorneys and public defenders who want to enter into a service obligation, number of service breaches and award amounts.

Repayment revenue would begin for participants who fail to meet their service obligation as early as six months after the program begins. Repayment terms are defined in Section 1(6). Additionally, Section 1(7) allows WSAC to determine reasonable terms for repayment, including a reasonable interest rate when the repayment obligation is triggered or voluntarily assumed by the participant.

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.

The expenditures impact is indeterminate because program expenditures are dependent on the level of appropriation, number of applicants, number of current attorneys with student loan debt, number of public defense attorneys and public defenders who want to enter into a service obligation, and the number of service breaches and award amounts.

STAFFING

This fiscal note describes administrative expense that would be incurred by the Washington Student Achievement Council to administer up to \$2M in annual awards. If the program grows, staffing levels would need to scale up accordingly. This staffing estimate also assumes there are 100 program participants.

Staffing would be needed to develop information systems to administer the student loan repayment program for public defense attorneys and prosecutors. This will require one-time software development work and program staff work during FY26 for:

- * IT infrastructure that supports an application process, fund disbursement, service obligation tracking, and repayment.
- * Development and ability to collect the promissory note from program participants.
- * NOTE: The earliest that the program would be available is for the 2026-27 academic year.

A Program Manager and an Associate Director would be required to ensure program development is completed with the support of a Program Coordinator. The Associate Director and Program Manager will develop an outreach and communication plan and convene stakeholders to gather feedback on application development. 1.0 FTE Software Developer is needed in FY26 to build and implement the IT solution with ongoing support beginning in FY27. Ongoing work includes administering application cycles, administering quarterly payments, tracking service obligations, and outreach.

FY26 costs (one-time) \$467,000 for 1.0 FTE Program Manager, 0.3 FTE Associate Director, 0.3 FTE Program Coordinator, and 1.0 FTE Software Developer.

FY27 costs and ongoing \$288,000 annually for 1.0 FTE Program Manager, 0.1 FTE Associate Director, 0.3 FTE Program Coordinator, and 0.3 FTE Software Developer.

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 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	467,000	288,000	755,000	576,000	576,000
Total \$			467,000	288,000	755,000	576,000	576,000

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 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.6	1.7	2.2	1.7	1.7
A-Salaries and Wages	233,000	137,000	370,000	274,000	274,000
B-Employee Benefits	86,000	54,000	140,000	108,000	108,000
C-Professional Service Contracts					
E-Goods and Other Services	145,000	95,000	240,000	190,000	190,000
G-Travel	3,000	2,000	5,000	4,000	4,000
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 \$	467,000	288,000	755,000	576,000	576,000

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 2026	FY 2027	2025-27	2027-29	2029-31
Associate Director	110,000	0.3	0.1	0.2	0.1	0.1
IT-Software Developer	106,000	1.0	0.3	0.7	0.3	0.3
Program Coordinator	58,000	0.3	0.3	0.3	0.3	0.3
Program Manager B	76,000	1.0	1.0	1.0	1.0	1.0
Total FTEs		2.6	1.7	2.2	1.7	1.7

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Financial Aid and Grant Programs (030)	467,000	288,000	755,000	576,000	576,000
Total \$	467,000	288,000	755,000	576,000	576,000

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 and program rules.