

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 8200 SJR	<b>Title:</b> School district bond voting
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## Estimated Cash Receipts

NONE

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI				368,165,100		392,295,900
Loc School dist-SPI	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.					
Local Gov. Other						
Local Gov. Total						

## 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 the Secretary of State	.0	2,226,000	2,226,000	2,226,000	.0	0	0	0	.0	0	0	0
Superintendent of Public Instruction	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>2,226,000</b>	<b>2,226,000</b>	<b>2,226,000</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Agency Name	2025-27			2027-29			2029-31		
	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	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	.0	0	0	.0	368,165,100	368,165,100	.0	392,295,900	392,295,900
Superintendent of Public Instruction	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>368,165,100</b>	<b>368,165,100</b>	<b>0.0</b>	<b>392,295,900</b>	<b>392,295,900</b>

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI						2,498,087,900			2,736,065,300
Loc School dist-SPI	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Local Gov. Other									
Local Gov. Total									

## Estimated Capital Budget Breakout

NONE

Agency Name	2025-27	2027-29	2029-31
	Total	Total	Total
School District Fiscal Note - SPI			
Construction	0	2,498,087,900	2,736,065,300
	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.		
Superintendent of Public Instruction			
Grants/Loans	0	368,165,100	392,295,900
	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.		
Total \$	0	2,866,253,000	3,128,361,200

Prepared by: Kelsey Rote, OFM	Phone: (360) 000-0000	Date Published: Revised 1/28/2025
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 8200 SJR	<b>Title:</b> School district bond voting	<b>Agency:</b> 085-Office of the Secretary of State
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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
<b>Account</b>					
General Fund-State 001-1	2,226,000	0	2,226,000	0	0
<b>Total \$</b>	2,226,000	0	2,226,000	0	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: Alex Fairfortune	Phone: 360-786-7416	Date: 01/10/2025
Agency Preparation: Bonnie Luntzel	Phone: 360-704-5262	Date: 01/28/2025
Agency Approval: Tim Gallivan	Phone: (360) 763-2044	Date: 01/28/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 01/28/2025

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.

Senate Joint Resolution 8200 (SJR 8200) proposes an amendment to the state constitution to modify the voter approval threshold required for school district bond measures. Moreover, SJR 8200 seeks to amend Article VII, Section 2 of the Washington State Constitution to lower the voter approval requirement for school district bond measures from a three-fifths majority (60%) to a 55% majority.

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.

No Impact.

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.

Section 2 - seeks to amend Article VII of the Washington State Constitution to lower the voter approval requirement for school district bond measures from a three-fifths majority (60%) to a 55% majority.

Implementation costs for the Office of the Secretary of State (OSOS) in FY 2026 include:

- Voter’s Pamphlet: The constitutional amendment (estimated 8 pages) will cost approximately \$418,000. This estimate is based on historical costs of similar efforts (\$405,582) adjusted for inflation (3%), calculated as  $\$405,582 \times 1.03 = \$417,749$  (rounded to \$418,000 for reporting purposes). Costs cover printing, composition, and translation.
- Election Costs: Adding a statewide measure will increase election costs by \$1,808,000. This is calculated using the average per-voter cost in odd years (2021: \$0.70; 2023: \$0.65; average: \$0.68). The additional voters are estimated as 5,011,000 total registered voters – 2,352,647 voters in current elections = 2,658,353. The cost is  $2,658,353 \times \$0.68 = \$1,807,680$  (rounded to \$1,808,000 for reporting purposes).

This amendment would place a measure on the 2025 General Election ballot, which currently includes only certain judicial and legislative races, affecting about 47% of voters. This change ensures a statewide share of the election costs.

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	2,226,000	0	2,226,000	0	0
Total \$			2,226,000	0	2,226,000	0	0

**III. B - Expenditures by Object Or Purpose**

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	2,226,000		2,226,000		
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-					
<b>Total \$</b>	2,226,000	0	2,226,000	0	0

**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

No Impact.

**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

<b>Bill Number:</b> 8200 SJR	<b>Title:</b> School district bond voting	<b>Agency:</b> 350-Superintendent of Public Instruction
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

	2025-27		2027-29		2029-31	
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Predesign/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	0	181,165,800	186,999,300	193,002,000	199,293,900
Staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>181,165,800</b>	<b>186,999,300</b>	<b>193,002,000</b>	<b>199,293,900</b>

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

*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: Alex Fairfortune	Phone: 360-786-7416	Date: 01/10/2025
Agency Preparation: Randy Newman	Phone: 360 725-6267	Date: 01/15/2025
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/15/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/20/2025

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.

Sections 1 and 2 of the proposed bill change RCW 28A.535.020 and RCW 28A.535.050 respectively to allow school districts to issue bonds authorized by approval of 55% of the voters voting at such election.

Section 3 modifies RCW 84.52.056 to allow a proposition by a school district to issue bonds and pay the principal and interest authorized by approval of 55% of the voters voting on the proposition, without regard to the total number of voters voting on the proposition.

Section 6 states that any invalidation of any provision of this act would not affect the remainder of the act.

Section 7 includes language that the act will take effect only if the proposed amendment to the state Constitution is approved and ratified at the next general election.

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.

No impact to the Office of Superintendent of Public Instruction’s (OSPI) cash receipts.

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.

No impact to OSPI’s operating budget.

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

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
057-1	State Building Construction Account	State	0	0	0	368,165,100	392,295,900
Total \$			0	0	0	368,165,100	392,295,900

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### IV. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
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				368,165,100	392,295,900
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	0	0	368,165,100	392,295,900

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### IV. C - Capital Budget Breakout

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

Construction Estimate	FY 2026	FY 2027	2025-27	2027-29	2029-31
Predesign/Design					
Construction					
Grants/Loans				368,165,100	392,295,900
Staff					
Other					
Total \$				368,165,100	392,295,900

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

The fiscal impact for this proposal is unknown because the dates of future bond elections and voter participation for all 295 local school districts are not known. However, for discussion purposes, the following is an estimate of the fiscal impact of the proposed bill based on assumptions of future voter behavior and historical data.

There are two potential impacts of lowering the threshold for passing local school district bond issues from sixty percent (60%) “super-majority” level to a level of fifty-five (55%) percent.

First, by lowering the approval threshold, school districts could be more successful in gaining voters approval for school construction initiatives through levying taxes, issuing bonds, and incurring debt.

Second, if school districts are more successful, then the demand for state funding assistance through the School Construction Assistance Program (SCAP) would be expected to increase.

Fiscal Analysis (See Attachment 1 for Cost Detail)

The analysis provided is based on school district bond elections from 2012 – 2019 and 2024. Bond election years 2020 through 2023 was not included due to the historic small number of bond elections presented to voters.

According to county election data results, school district voters have approved over \$18.19 billion in capital bonds for school construction projects from 2012 through 2019 and 2024 which averages to approximately \$1.82 billion per year. In the same period, SCAP has approved \$3.2 billion (\$327 million average yearly funding) in state funding assistance to local school districts.

Based on this historical data, the ratio of state funding to local funding amounted to 18%. During the same time 2012 – 2019 and 2024, local school district bond issues in elections receiving voter approval rates of 55% - 59.99% totaled \$7.5 billion which averages almost \$752 million per year. Applying the same ratio of state funding (18%) to these bond issues which would have passed with at least 55% approval, the estimated additional annual state funding cost to SCAP would be \$181 million in fiscal year 2028.

OSPI assumes the legislature and voters would approve the change to the constitution in 2025. Based on this period, OSPI estimates the first round of school construction projects eligible for state funding would not seek state assistance until the July 2027 grant release (Fiscal Year 2028).

The estimated additional SCAP funding assistance due to lowering the level of voter approval for school districts to issue bonds is the following:

- FY 2027 – No Cost
- FY 2028 - \$181.2 Million
- FY 2029 - \$186.9 Million
- FY 2030 - \$193.0 Million
- FY 2031 - \$199.3 Million
- FY 2032 - \$205.1 Million
- FY 2033 - \$209.5 Million
- FY 2034 - \$215.6 Million
- FY 2035 - \$220.2 Million

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

Office of Superintendent of Public Instruction  
School District Elections- Attachment 1

Bond Issue Elections with passage > 60%

Excluded From Calculations															
Calendar Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total*	Average*
Number of Bond Elections Which Passed The First Time	10	12	12	23	24	21	16	12	8	0	4	2	10	148	15
Value of Bond Elections Which Passed The First Time	\$ 503,531,500	\$ 1,157,987,000	\$ 1,544,400,000	\$ 1,696,275,474	\$ 3,372,159,242	\$ 1,999,880,773	\$ 2,449,662,812	\$ 1,383,308,000	\$ 1,765,000,000	\$ -	\$ 1,741,397,000	\$ 275,300,000	\$ 2,327,319,500	\$ 18,199,524,301	\$ 1,819,952,430

SCAP Calendar Release Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total*	Average*
State Funding for Projects	\$ 212,963,558	\$ 184,767,661	\$ 212,729,963	\$ 229,188,284	\$ 312,012,979	\$ 336,129,669	\$ 572,139,295	\$ 386,434,460	\$ 617,346,992	\$ 256,827,541	\$ 162,546,331	\$ 81,134,246	\$ 213,511,699	\$ 3,277,224,559	\$ 327,722,456
State Art Allocation	\$ 537,467	\$ 767,054	\$ 889,390	\$ 696,833	\$ 1,043,134	\$ 928,911	\$ 1,836,120	\$ 1,469,290	\$ 1,836,429	\$ 795,583	\$ 570,333	\$ 269,698	\$ 869,432	\$ 10,874,061	\$ 1,087,406
Total State Funding	\$ 213,501,025	\$ 185,534,715	\$ 213,619,353	\$ 229,885,116	\$ 313,056,113	\$ 337,058,580	\$ 573,975,414	\$ 387,903,750	\$ 619,183,421	\$ 257,623,124	\$ 163,116,664	\$ 81,403,944	\$ 214,381,131	\$ 3,288,098,620	\$ 328,809,862

\*Calendar Year 2020-2023 is for informational purposes only, not used in calculations due to the low number of bond issues presented to voters.

Calculation of Rate of Need for State Funding with respect to Bond Passage

10 Year Average of Bond Elections with passage >60%	\$ 1,819,952,430
10 Year Average of State Funding Assistance	\$ 327,722,456
Ratio of State Funding to Bond Passed	18%

Bond Election and State Funding Assistance data for years 2012 -2024 excluding years 2021-2023.

Bond Issue Elections with approval rates > 55% - 59.99%

Excluded From Calculations															
Calendar Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total*	Average*
Number of "First" Elections	3	9	9	4	7	7	11	2	7	0	4	6	8	67	7
Bond Value of "First" Elections	\$ 226,800,000	\$ 391,965,554	\$ 1,591,045,156	\$ 114,030,830	\$ 783,592,867	\$ 272,536,828	\$ 1,417,665,000	\$ 196,000,000	\$ 1,138,750,000	\$ -	\$ 124,491,770	\$ 374,240,055	\$ 1,389,910,055	\$ 7,522,296,290	\$ 752,229,629
Ratio of State Funding to Bonds Passed															18%
Inflationary Adjustments															
Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Inflation Rate (Maintenance Level)	102.00%	103.05%	103.03%	103.16%	103.17%	103.16%	103.17%	102.91%	102.71%	102.64%	101.70%	101.89%	104.90%	104.90%	
Bond Value Adjusted For Inflation to 2025 Levels	\$ 337,383,077	\$ 565,849,875	\$ 2,229,296,899	\$ 154,883,366	\$ 1,031,579,489	\$ 347,802,677	\$ 1,753,528,906	\$ 235,579,668	\$ 1,332,579,618	\$ -	\$ 139,573,146	\$ 411,814,131	\$ 1,458,015,648	\$ 9,446,499,223	\$ 944,649,922
Ratio of State Funding to Bonds Passed															18%
Estimated State Funding Assistance (Average Bonds Issues with passage >55% - 59.99% X Ratio of State Funding to Bonds Passed)															\$ 170,104,991

Estimated SCAP funding

Biennium	2025-27		2027-29		2029-31		2031-33		2033-35	
Fiscal Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Estimated Average Inflation Rate	103.11%	103.29%	18.01%	103.22%	103.21%	103.26%	102.92%	102.14%	102.92%	102.14%
Estimated SCAP Funding with Inflation			\$ 181,165,761	\$ 186,999,298	\$ 193,001,976	\$ 199,293,840	\$ 205,113,220	\$ 209,502,643	\$ 215,620,120	\$ 220,234,391
55% voter approval			\$ 181,165,800	\$ 186,999,300	\$ 193,002,000	\$ 199,293,900	\$ 205,113,300	\$ 209,502,700	\$ 215,620,200	\$ 220,234,400

If the bill becomes law during the 2025 legislative session and is ratified in November 2025, the earliest projects funded by bonds with a 55% majority passing will be in SCAP releases starting in fiscal year 2028.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 8200 SJR	<b>Title:</b> School district bond voting	<b>Agency:</b> SDF-School District Fiscal Note - SPI
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## Part I: Estimates



No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
Local School District-Private/Local New-7				368,165,100	392,295,900
<b>Total \$</b>				368,165,100	392,295,900

In addition to the estimates above, there are additional indeterminate costs 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:

	2025-27		2027-29		2029-31	
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Predesign/Design	0	0	0	0	0	0
Construction	0	0	1,220,659,600	1,277,428,300	1,336,862,100	1,399,203,200
Grants/Loans	0	0	0	0	0	0
Staff	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>1,220,659,600</b>	<b>1,277,428,300</b>	<b>1,336,862,100</b>	<b>1,399,203,200</b>

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

*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:

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- ☒ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Alex Fairfortune	Phone: 360-786-7416	Date: 01/10/2025
Agency Preparation: Randy Newman	Phone: 360 725-6267	Date: 01/15/2025
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 01/15/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/20/2025

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.

Sections 1 and 2 of the proposed bill change RCW 28A.535.020 and RCW 28A.535.050 respectively to allow school districts to issue bonds authorized by approval of 55% of the voters voting at such election.

Section 3 modifies RCW 84.52.056 to allow a proposition by a school district to issue bonds and pay the principal and interest authorized by approval of 55% of the voters voting on the proposition, without regard to the total number of voters voting on the proposition.

Section 6 states that any invalidation of any provision of this act would not affect the remainder of the act.

Section 7 includes language that the act will take effect only if the proposed amendment to the state Constitution is approved and ratified at the next general election.

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.

By lowering the voter approval level for bonds, it will be easier for local school districts to access funding through the school construction assistance program (SCAP) administered by the Office of Superintendent of Public Instruction (OSPI).

The amount of cash receipts is indeterminate because the amount of future bond issues and voter approval is unknown. However, for discussion purposes, the following is an estimate of the fiscal impact of the proposed bill based on assumptions of future voter behavior and historical data.

Fiscal Analysis (See Attachments 1 and 2) – The cash receipts estimate is based on the amount of funding local school districts would receive from the state through SCAP using the assumptions in OSPI’s fiscal note to compute the impact to SCAP.

According to county election data results, school district voters have approved over \$18.19 billion in capital bonds for school construction projects from 2012 through 2019 and 2024 which averages to approximately \$1.82 billion per year. In the same period, SCAP has approved \$3.2 billion (\$327 million average yearly funding) in state funding assistance to local school districts.

Based on this historical data, the ratio of state funding to local funding amounted to 18%. During the same time 2012 – 2019 and 2024, local school district bond issues in elections receiving voter approval rates of 55% - 59.99% totaled \$7.5 billion which averages almost \$752 million per year. Applying the same ratio of state funding (18%) to these bond issues which would have passed with at least 55% approval, the estimated additional annual state funding cost to SCAP would be \$181 million in fiscal year 2028.

OSPI assumes the legislature and voters would approve the change to the constitution in 2025. Based on this period, OSPI estimates the first round of school construction projects eligible for state funding would not seek state assistance until the July 2027 grant release (Fiscal Year 2028).

The estimated additional SCAP funding assistance due to lowering the level of voter approval for school districts to issue general obligation bonds is the following:

FY 2027 – No Cost

FY 2028 - \$181.2 Million  
FY 2029 - \$186.9 Million  
FY 2030 - \$193.0 Million  
FY 2031 - \$199.3 Million  
FY 2032 - \$205.1 Million  
FY 2033 - \$209.5 Million  
FY 2034 - \$215.6 Million  
FY 2035 - \$220.2 Million

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.

Local school districts pay for the cost of their bond elections. If the voter approval rate is lowered, it’s assumed most bond issues will pass on their first attempt and will decrease the number of bond elections which will fail. The amount of savings which would be incurred by districts by not having a second bond election is not known.

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

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

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
New-7	Local School District	State	0	0	0	2,498,087,900	2,736,065,300
Total \$			0	0	0	2,498,087,900	2,736,065,300

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

#### IV. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays				2,498,087,900	2,736,065,300
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	0	0	0	2,498,087,900	2,736,065,300

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

#### IV. C - Capital Budget Breakout

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

Construction Estimate	FY 2026	FY 2027	2025-27	2027-29	2029-31
Predesign/Design					
Construction				2,498,087,900	2,736,065,300
Grants/Loans					
Staff					
Other					
<b>Total \$</b>				2,498,087,900	2,736,065,300

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

With the lower voter approval level, OSPI estimates school districts will be more successful in passing bonds related to school construction.

The fiscal impact for this proposal is indeterminate because the dates of future bond elections of all 295 local school districts are not known, and voter participation and behavior are not known. However, for discussion purposes, the following is an estimate of the fiscal impact of the proposed bill based on assumptions of future voter behavior and historical data.

Fiscal Analysis (See attachments 1 and 2)

Local school districts have offered bond issues to voters which did not achieve a 3/5 approval (60%) but did receive a 55% of yes votes, which would satisfy the threshold in the proposal in the amount of \$18.19 billion from 2012 through 2019 and 2024 which averages to approximately \$1.82 billion per year. OSPI assumes local school districts will offer the same level of bond issues plus construction inflation to its voters in this cost estimate.

OSPI assumes the legislature and voters would approve the changes to the constitution in 2025. Based on this time frame, OSPI estimates the first round of school construction projects eligible for state funding would not see state assistance until the July 2027 grant release (Fiscal Year 2028).

The estimated additional funding available for school construction raised by local school districts due to lowering of the voter approval threshold to issue general obligation bonds is:

- FY 2027 – No Impact
- FY 2028 - \$1,039,493,800 Local Share + \$181,165,800 State Funding
- FY 2029 - \$1,090,429,000 Local Share + \$186,999,300 State Funding
- FY 2030 - \$1,143,860,100 Local Share + \$193,002,000 State Funding
- FY 2031 - \$1,199,909,300 Local Share + \$199,293,900 State Funding
- FY 2032 - \$1,258,704,900 Local Share + \$205,113,300 State Funding
- FY 2033 - \$1,320,381,500 Local Share + \$209,502,700 State Funding
- FY 2034 - \$1,385,080,200 Local Share + \$215,620,200 State Funding
- FY 2035 - \$1,452,949,200 Local Share + \$220,234,400 State Funding

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

Office of Superintendent of Public Instruction  
School District Elections- Attachment 2  
Local School District Capital Budget Impact

Bond Issue Elections with approval rates > 55% - 59.99%

Excluded From Calculations															
Calendar Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total*	Average*
Number of "First" Elections	3	9	9	4	7	7	11	2	7	0	4	6	8	67	7
Bond Value of "First" Elections	\$ 226,800,000	\$ 391,965,554	\$ 1,591,045,156	\$ 114,030,830	\$ 783,592,867	\$ 272,536,828	\$ 1,417,665,000	\$ 196,000,000	\$ 1,138,750,000	\$ -	\$ 124,491,770	\$ 374,240,055	\$ 1,389,910,055	\$ 7,522,296,290	\$ 752,229,629
Ratio of State Funding to Bonds Passed															18%
Inflationary Adjustments															
Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Inflation Rate (Maintenance Level)	102.00%	103.05%	103.03%	103.16%	103.17%	103.16%	103.17%	102.91%	102.71%	102.64%	101.70%	101.89%	104.90%	104.90%	
Bond Value Adjusted For Inflation to 2025 Levels	\$ 337,383,077	\$ 565,849,875	\$ 2,229,296,899	\$ 154,883,366	\$ 1,031,579,489	\$ 347,802,677	\$ 1,753,528,906	\$ 235,579,668	\$ 1,332,579,618	\$ -	\$ 139,573,146	\$ 411,814,131	\$ 1,458,015,648	\$ 9,446,499,223	\$ 944,649,922
Ratio of State Funding to Bonds Passed															18%
Estimated State Funding Assistance (Average Bonds Issues with passage >55% - 59.99% X Ratio of State Funding to Bonds Passed)															\$ 170,104,991

Estimated SCAP funding

Biennium	2025-27		2027-29		2029-31		2031-33		2033-35	
Fiscal Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Estimated Average Inflation Rate	103.11%	103.29%	18.01%	103.22%	103.21%	103.26%	102.92%	102.14%	102.92%	102.14%
Estimated SCAP Funding with Inflation			\$ 181,165,761	\$ 186,999,298	\$ 193,001,976	\$ 199,293,840	\$ 205,113,220	\$ 209,502,643	\$ 215,620,120	\$ 220,234,391
55% voter approval			\$ 181,165,800	\$ 186,999,300	\$ 193,002,000	\$ 199,293,900	\$ 205,113,300	\$ 209,502,700	\$ 215,620,200	\$ 220,234,400

If the bill becomes law during the 2025 legislative session and is ratified in November 2025, the earliest projects funded by bonds with a 55% majority passing will be in SCAP releases starting in fiscal year 2028.

Estimated bond passage funding + SCAP funding

Biennium	2025-27		2027-29		2029-31		2031-33		2033-35	
Fiscal Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Estimated Average Inflation Rate	104.90%	104.90%	104.90%	104.90%	104.90%	104.90%	104.90%	104.90%	104.90%	104.90%
Estimated SCAP Funding with Inflation - 55% voter approval	\$ -	\$ -	\$ 181,165,800	\$ 186,999,300	\$ 193,002,000	\$ 199,293,900	\$ 205,113,300	\$ 209,502,700	\$ 215,620,200	\$ 220,234,400
Estimate additional local bond issues for School Construction	\$ -	\$ -	\$ 1,039,493,800	\$ 1,090,429,000	\$ 1,143,860,100	\$ 1,199,909,300	\$ 1,258,704,900	\$ 1,320,381,500	\$ 1,385,080,200	\$ 1,452,949,200
			\$ 1,220,659,600	\$ 1,277,428,300	\$ 1,336,862,100	\$ 1,399,203,200	\$ 1,463,818,200	\$ 1,529,884,200	\$ 1,600,700,400	\$ 1,673,183,600
Biennial Total		\$ -		\$ 2,498,087,900		\$ 2,736,065,300		\$ 2,993,702,400		\$ 3,273,884,000