

Individual State Agency Fiscal Note

Bill Number: 5397 SB	Title: CTC faculty w/o tenure limit	Agency: 699-Community and Technica College System
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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
Account					
General Fund-State 001-1	0	11,000,000	11,000,000	22,000,000	22,000,000
Total \$	0	11,000,000	11,000,000	22,000,000	22,000,000

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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.

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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.

This bill would establish limits on the percentage of courses taught by faculty without tenure track status.

Sec. 1 (1) By July 1, 2026 all community and technical colleges shall adopt a policy that limits the percentage of courses that may be taught by faculty without tenure track status. No more than 45 percent of courses offered annually may be taught by faculty without tenure track status on or after July 1, 2030.

Sec. 1 (2) Annually starting July 1, 2028, the State Board for Community and Technical Colleges must report on:

- the steps community and technical colleges have taken to meet the requirement of subsection (1)
- the percentage of courses taught by faculty without tenure track status at each institution along with relevant data

“Tenure track status” means a probationary faculty employee having an opportunity to be reviewed for tenure or a faculty employee who has been awarded tenure.

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 cash receipts 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.

This bill would have an expenditure impact.

Sec. 1(1) By July 1, 2026 all community and technical colleges must adopt a policy that limits the percentage of courses that may be taught by non-tenure track faculty to 45 percent by 2030.

Because each of the 30 community and technical college districts has full scope bargaining authority for faculty salaries and benefits, the actual cost at each institution will vary. This fiscal note assumes that the definition of the word “course” in the bill is the equivalent of what the community and technical colleges refer to as a “section,” i.e., the unit of measure of an assigned workload that represents an individual curricular unit, enrolling a fixed number of students and meeting in-person, virtually, or in combination for a pre-defined number of hours during a pre-defined calendar period. This bill specifically calls out the minimum percentage of courses that may be taught by tenure-track positions, and this fiscal note uses the definition of “tenure” and “Faculty Assignment” in RCW 28B.50.851(3) and uses the current college board definitions of “special funds.” For the purpose of this fiscal note, it is estimated that the average difference between the cost (salary and benefits) of a tenure track faculty position and non-tenure track faculty positions is \$50,000/FTE per year.

It is known that there are many variables across the 34 colleges that will impact the actual number of tenure track faculty needed to meet and maintain compliance with the requirements of this bill.

It is estimated that, at this time, to ensure no more than 45 percent of courses offered annually are taught by tenure track status faculty 1,100 FTE tenure track faculty positions would need to be established.

$\$50,000 \text{ (salary and benefits) cost difference/FTE} \times 1,1000 \text{ FTE} = \$55,000,000 \text{ by FY2031}$

Estimating that the increase in tenure track status faculty positions would occur incrementally at a rate of 20% starting in fiscal year 2027 to meet the July 1, 2030 deadline.

20% of 1,100 FTE (220 FTE/year) would be established each year FY 27 – FY31

220 additional tenure track status faculty per year x \$50,000 = \$11,000,000 per year

220 FTE x \$50,000 = \$11,000,000 FY27

220 additional FTE x \$50,000 = \$11,000,000 FY28

220 additional FTE x \$50,000 = \$11,000,000 FY29

220 additional FTE x \$50,000 = \$11,000,000 FY30

220 additional FTE x \$50,000 = \$11,000,000 FY31

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	0	11,000,000	11,000,000	22,000,000	22,000,000
Total \$			0	11,000,000	11,000,000	22,000,000	22,000,000

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages		8,148,000	8,148,000	16,296,000	16,296,000
B-Employee Benefits		2,852,000	2,852,000	5,704,000	5,704,000
C-Professional Service Contracts					
E-Goods and Other Services					
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	11,000,000	11,000,000	22,000,000	22,000,000

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

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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

Indeterminate capital budget impact.

Standard contract agreements state that full-time academic faculty will be provided with their own private office space on campus. Increases of full-time tenure track status faculty may result in a need for additional square footage at individual college campuses.

Part V: New Rule Making Required

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