

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5192 S SB	<b>Title:</b> School district materials
-------------------------------	---

## 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		189,044,000		240,782,000		250,877,000
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
Superintendent of Public Instruction	.0	187,840,000	188,509,000	188,509,000	.0	239,686,000	240,040,000	240,040,000	.0	249,749,000	250,103,000	250,103,000
<b>Total \$</b>	<b>0.0</b>	<b>187,840,000</b>	<b>188,509,000</b>	<b>188,509,000</b>	<b>0.0</b>	<b>239,686,000</b>	<b>240,040,000</b>	<b>240,040,000</b>	<b>0.0</b>	<b>249,749,000</b>	<b>250,103,000</b>	<b>250,103,000</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			189,044,000			240,782,000			250,877,000
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
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

NONE

**Prepared by:** Shea Hamilton, OFM

**Phone:**  
(360) 229-4774

**Date Published:**  
Final 3/ 3/2025

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 5192 S SB	<b>Title:</b> School district materials	<b>Agency:</b> 350-Superintendent of Public Instruction
-------------------------------	---	---

## 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	75,393,000	112,447,000	187,840,000	239,686,000	249,749,000
WA Opportunity Pathways Account-State 17F-1	412,000	257,000	669,000	354,000	354,000
<b>Total \$</b>	<b>75,805,000</b>	<b>112,704,000</b>	<b>188,509,000</b>	<b>240,040,000</b>	<b>250,103,000</b>

### 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: Kayla Hammer	Phone: 360-786-7400	Date: 03/03/2025
Agency Preparation: Rachel Buckle	Phone: 360-725-6302	Date: 03/03/2025
Agency Approval: Melissa Jarmon	Phone: 360 725-6302	Date: 03/03/2025
OFM Review: Shea Hamilton	Phone: (360) 229-4774	Date: 03/03/2025

## 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.*

This bill:

Materials, supplies and operating costs (MSOC) were modified to \$1,656.50 for all grades per AAFTE and an additional \$225.09 for grades 9-12 beginning in 2025-26 school year. The rates will continue to adjust annually for inflation.

Costs that may not be expended for any other purpose is \$88.22 for a portion of \$1,656.50 and \$16.37 for a portion of the \$225.09 MSOC rates.

Original bill:

Section 1; Amends RCW 28A.150.260 and 2024 c 262 s 2 and 2024 c 191 s 2

(8)(a) AMENDS This subsection changes the general education MSOC allocation for all grades to a single dollar value of \$1,723.42 per AAFTE starting with the 2025–26 school year. This rate would adjust at the beginning of the school year based on the prior calendar year implicit price deflator.

(b) AMENDS This subsection changes the additional MSOC allocation for students in grades 9-12 to a single dollar value of \$229.37 per AAFTE with this rate adjusting at the beginning of the school year by the prior calendar year implicit price deflator.

(c) AMENDS This subsection changes the increased allocation amounts that are intended to address growing MSOC costs. The general education MSOC allocation for all grades would change to \$156.67 per AAFTE and \$20.88 per AAFTE for grades 9-12.

(d) NEW This subsection requires school districts to report annually to OSPI their MSOC expenditures in eight specific categories.

(e) NEW This subsection changes how MSOC would be allocated. Instead of the current year’s enrollment, the allocation would be based on the school district’s prior three-year average AAFTE.

(9)(a) AMENDS This subsection is a formatting change.

(b) NEW This subsection changes how MSOC for high school CTE, middle CTE, and skill center CTE would be allocated. Instead of the current year’s enrollment, the allocation would be based on the school district’s prior three-year average AAFTE.

### 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.*

This bill:

The change to the MSOC rates starting with the 2025-26 school year using the three-year enrollment average is now estimated to be \$97,748,000.

Original bill:

OSPI assumes that it will cost \$50,000 in FY26 to program the School Apportionment and Financial Services systems (Apportionment, Budget, Financial Reporting) to accommodate the changes in this bill.

The costs assumed with the increased allocation to the MSOC allocation are based on the three-year annual average full-time equivalent student enrollment from the 2021-22 through the 2023-24 school years as they are the most recent completed. Each subsequent school year uses the same three-year annual average full-time equivalent student enrollment and is calculated against the current 2024-25 school year enrollment.

The inflation values used in the calculations are taken from the November 2024 maintenance level assumptions.

Total costs include the impact to the special education program, as well as the programs impacted by the running start rate increases.

### 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	75,393,000	112,447,000	187,840,000	239,686,000	249,749,000
17F-1	WA Opportunity Pathways Account	State	412,000	257,000	669,000	354,000	354,000
<b>Total \$</b>			75,805,000	112,704,000	188,509,000	240,040,000	250,103,000

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

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts	50,000		50,000		
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	75,755,000	112,704,000	188,459,000	240,040,000	250,103,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	75,805,000	112,704,000	188,509,000	240,040,000	250,103,000

**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

## **Part V: New Rule Making Required**

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

<i>Education Funding Allocations FN PSSB 5192</i>						
<b>School Year</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-31</b>	<b>2030-31</b>
Estimated Cost Districts and Tribal Compacts	\$97,217,000	\$116,868,000	\$119,152,000	\$121,598,000	\$124,152,000	\$126,759,000
Estimated Cost Charters	\$531,000	\$177,000	\$177,000	\$177,000	\$177,000	\$177,000
<b>Total School Year</b>	<b>\$97,748,000</b>	<b>\$117,045,000</b>	<b>\$119,329,000</b>	<b>\$121,775,000</b>	<b>\$124,329,000</b>	<b>\$126,936,000</b>
<b>State Fiscal Year</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2028</b>	<b>2029</b>
General Fund - SAFS Fiscal System Cost	\$50,000					
General Fund - District & Tribal Compact	\$75,343,000	\$112,447,000	\$118,638,000	\$121,048,000	\$123,577,000	\$126,172,000
Opportunities Pathway - Charter Schools	\$412,000	\$257,000	\$177,000	\$177,000	\$177,000	\$177,000
<b>Total Fiscal Year</b>	<b>\$75,805,000</b>	<b>\$112,704,000</b>	<b>\$118,815,000</b>	<b>\$121,225,000</b>	<b>\$123,754,000</b>	<b>\$126,349,000</b>
<b>Biennium</b>	<b>2025 - 2027</b>		<b>2027 - 2029</b>		<b>2029 - 2031</b>	
<b>Total Biennium</b>	<b>\$188,509,000</b>		<b>\$240,040,000</b>		<b>\$250,103,000</b>	

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 5192 S SB	<b>Title:</b> School district materials	<b>Agency:</b> SDF-School District Fiscal Note - SPI
-------------------------------	---	--

## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
School District Local-Private/Local New-7	75,992,000	113,052,000	189,044,000	240,782,000	250,877,000
<b>Total \$</b>	75,992,000	113,052,000	189,044,000	240,782,000	250,877,000

### Estimated Operating Expenditures from:

Account	FY 2026	FY 2027	2025-27	2027-29	2029-31
General Fund-State 001-1	75,755,000	112,703,000	188,458,000	240,040,000	250,103,000
WA Opportunity Pathways Account-State 17F-1	237,000	349,000	586,000	742,000	774,000
<b>Total \$</b>	75,992,000	113,052,000	189,044,000	240,782,000	250,877,000

### 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: Kayla Hammer	Phone: 360-786-7400	Date: 03/03/2025
Agency Preparation: Rachel Buckle	Phone: 360-725-6302	Date: 03/03/2025
Agency Approval: Melissa Jarmon	Phone: 360 725-6302	Date: 03/03/2025
OFM Review: Shea Hamilton	Phone: (360) 229-4774	Date: 03/03/2025



## 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.*

This bill:

Materials, supplies and operating costs (MSOC) were modified to \$1,656.50 for all grades per AAFTE and an additional \$225.09 for grades 9-12 beginning in 2025-26 school year. The rates will continue to adjust annually for inflation.

Costs that may not be expended for any other purpose is \$88.22 for a portion of \$1,656.50 and \$16.37 for a portion of the \$225.09 MSOC rates.

Original bill:

Section 1; Amends RCW 28A.150.260 and 2024 c 262 s 2 and 2024 c 191 s 2

(8)(a) AMENDS This subsection changes the general education MSOC allocation for all grades to a single dollar value of \$1,723.42 per AAFTE starting with the 2025–26 school year. This rate would adjust at the beginning of the school year based on the prior calendar year implicit price deflator.

(b) AMENDS This subsection changes the additional MSOC allocation for students in grades 9-12 to a single dollar value of \$229.37 per AAFTE with this rate adjusting at the beginning of the school year by the prior calendar year implicit price deflator.

(c) AMENDS This subsection changes the increased allocation amounts that are intended to address growing MSOC costs. The general education MSOC allocation for all grades would change to \$156.67 per AAFTE and \$20.88 per AAFTE for grades 9-12.

(d) NEW This subsection requires school districts to report annually to OSPI their MSOC expenditures in eight specific categories.

(e) NEW This subsection changes how MSOC would be allocated. Instead of the current year's enrollment, the allocation would be based on the school district's prior three-year average AAFTE.

(9)(a) AMENDS This subsection is a formatting change.

(b) NEW This subsection changes how MSOC for high school CTE, middle CTE, and skill center CTE would be allocated. Instead of the current year's enrollment, the allocation would be based on the school district's prior three-year average AAFTE.

### 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.*

OSPI assumes cash revenues equal state expenditures less costs associated with changes to the apportionment system and on-going reporting in subsequent school years. See attached table and 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.*

This bill:

The change to the MSOC rates starting with the 2025-26 school year using the three-year enrollment average is now estimated to be \$97,748,000.

Original bill:

OSPI assumes that it will cost \$50,000 in FY26 to program the School Apportionment and Financial Services systems (Apportionment, Budget, Financial Reporting) to accommodate the changes in this bill.

The costs assumed with the increased allocation to the MSOC allocation are based on the three-year annual average full-time equivalent student enrollment from the 2021-22 through the 2023-24 school years as they are the most recent completed. Each subsequent school year uses the same three-year annual average full-time equivalent student enrollment and is calculated against the current 2024-25 school year enrollment.

The inflation values used in the calculations are taken from the November 2024 maintenance level assumptions.

Total costs include the impact to the special education program, as well as the programs impacted by the running start rate increases.

OSPI assumes local education agencies will expend all revenue received in full. See State note for further details.

### 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	75,755,000	112,703,000	188,458,000	240,040,000	250,103,000
17F-1	WA Opportunity Pathways Account	State	237,000	349,000	586,000	742,000	774,000
<b>Total \$</b>			75,992,000	113,052,000	189,044,000	240,782,000	250,877,000

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

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
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	75,992,000	113,052,000	189,044,000	240,782,000	250,877,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	75,992,000	113,052,000	189,044,000	240,782,000	250,877,000

**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

## **Part V: New Rule Making Required**

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

<i>Education Funding Allocations FN PSSB 5192</i>						
<b>School Year</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>	<b>2030-31</b>
Estimated Cost Districts and Tribal Compacts	\$97,217,000	\$116,868,000	\$119,152,000	\$121,598,000	\$124,152,000	\$126,759,000
Estimated SD Costs	\$531,000	\$177,000	\$177,000	\$177,000	\$177,000	\$177,000
Estimated Cost Charters	\$306,000	\$362,000	\$369,000	\$377,000	\$385,000	\$393,000
<b>Total School Year</b>	<b>\$98,054,000</b>	<b>\$117,407,000</b>	<b>\$119,698,000</b>	<b>\$122,152,000</b>	<b>\$124,714,000</b>	<b>\$127,329,000</b>
<b>State Fiscal Year</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2028</b>	<b>2029</b>
General Fund - District & Tribal Compact	\$75,755,000	\$112,703,000	\$118,815,000	\$121,225,000	\$123,754,000	\$126,349,000
Opportunities Pathway - Charter Schools	\$237,000	\$349,000	\$367,000	\$375,000	\$383,000	\$391,000
<b>Total Fiscal Year</b>	<b>\$75,992,000</b>	<b>\$113,052,000</b>	<b>\$119,182,000</b>	<b>\$121,600,000</b>	<b>\$124,137,000</b>	<b>\$126,740,000</b>
<b>Biennium</b>	<b>2025 - 2027</b>		<b>2027 - 2029</b>		<b>2029 - 2031</b>	
<b>Total Biennium</b>	<b>\$189,044,000</b>		<b>\$240,782,000</b>		<b>\$250,877,000</b>	