

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5650 SB	<b>Title:</b> Salary inflationary increases for K-12 employees
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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		238,546,000		303,832,000		315,089,000
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
Superintendent of Public Instruction	.0	235,848,000	238,546,000	238,546,000	.0	300,414,000	303,833,000	303,833,000	.0	311,538,000	315,089,000	315,089,000
<b>Total \$</b>	<b>0.0</b>	<b>235,848,000</b>	<b>238,546,000</b>	<b>238,546,000</b>	<b>0.0</b>	<b>300,414,000</b>	<b>303,833,000</b>	<b>303,833,000</b>	<b>0.0</b>	<b>311,538,000</b>	<b>315,089,000</b>	<b>315,089,000</b>

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			238,546,000			303,832,000			315,089,000
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
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

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3973	<b>Date Published:</b> Final
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5650 SB	<b>Title:</b> Salary inflationary increases for K-12 employees	<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:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
<b>Account</b>					
General Fund-State 001-1	94,487,000	141,361,000	235,848,000	300,414,000	311,538,000
WA Opportunity Pathways Account-State 17F-1	1,093,000	1,605,000	2,698,000	3,419,000	3,551,000
<b>Total \$</b>	95,580,000	142,966,000	238,546,000	303,833,000	315,089,000

### 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: 02/01/2023
Agency Preparation: Melissa Jarmon	Phone: 360 725-6302	Date: 02/03/2023
Agency Approval: Michelle Matakas	Phone: 360 725-6019	Date: 02/03/2023
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/03/2023

## 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.

School district employees provided annual salary inflationary increase each school year.

This bill inflates district state allocated salary by 3.8% for 2023-24 school year.

Beginning with SY 2024-25, districts implicit price deflator to be used for inflation is defined as previous calendar year instead of fiscal year.

### 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.

### 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 3.8% inflation for 2023-24 school year as stated in the bill. Although actual prior year inflation rate is unknown for SY 2024-25, OSPI uses projected inflation rates for CY of 2.2 for SY 2024-25, 1.8% for SY 2025-26 & 2026-27 and 1.9% applied to the outyears. For more, 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	94,487,000	141,361,000	235,848,000	300,414,000	311,538,000
17F-1	WA Opportunity Pathways Account	State	1,093,000	1,605,000	2,698,000	3,419,000	3,551,000
<b>Total \$</b>			95,580,000	142,966,000	238,546,000	303,833,000	315,089,000

### 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	95,580,000	142,966,000	238,546,000	303,833,000	315,089,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	95,580,000	142,966,000	238,546,000	303,833,000	315,089,000

**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.*

**Table 1: SB 5650 Fiscal Impacts**

School Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
GFS-001 - District & Tribal	\$ 121,919,000	\$ 147,006,000	\$ 149,488,000	\$ 152,064,000	\$ 154,953,000	\$ 157,897,000
GFS-17F - Charters	\$ 1,410,000	\$ 1,661,000	\$ 1,702,000	\$ 1,733,000	\$ 1,766,000	\$ 1,800,000
<b>Total School Year</b>	<b>\$ 123,329,000</b>	<b>\$ 148,667,000</b>	<b>\$ 151,190,000</b>	<b>\$ 153,797,000</b>	<b>\$ 156,719,000</b>	<b>\$ 159,697,000</b>
State Fiscal Year	2024	2025	2026	2027	2028	2029
GFS-001 - District & Tribal	\$ 94,487,225	\$ 141,361,425	\$ 148,929,550	\$ 151,484,400	\$ 154,302,975	\$ 157,234,600
GFS-17F - Charters	\$ 1,092,750	\$ 1,604,525	\$ 1,692,775	\$ 1,726,025	\$ 1,758,575	\$ 1,792,350
<b>Total</b>	<b>\$ 95,579,975</b>	<b>\$ 142,965,950</b>	<b>\$ 150,622,325</b>	<b>\$ 153,210,425</b>	<b>\$ 156,061,550</b>	<b>\$ 159,026,950</b>
Biennium	2023-25		2025-27		2027-29	
GFS-001 - District & Tribal	\$ 235,848,650		\$ 300,413,950		\$ 311,537,575	
GFS-17F - Charters	\$ 2,697,275		\$ 3,418,800		\$ 3,550,925	
<b>Total</b>	<b>\$ 238,545,925</b>		<b>\$ 303,832,750</b>		<b>\$ 315,088,500</b>	

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5650 SB	<b>Title:</b> Salary inflationary increases for K-12 employees	<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 2024	FY 2025	2023-25	2025-27	2027-29
school district local-Private/Local new-7	95,580,000	142,966,000	238,546,000	303,832,000	315,089,000
<b>Total \$</b>	95,580,000	142,966,000	238,546,000	303,832,000	315,089,000

### Estimated Operating Expenditures from:

Account	FY 2024	FY 2025	2023-25	2025-27	2027-29
school district local-Private/Local new-7	95,580,000	142,966,000	238,546,000	303,832,000	315,089,000
<b>Total \$</b>	95,580,000	142,966,000	238,546,000	303,832,000	315,089,000

### 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:

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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.

School district employees provided annual salary inflationary increase each school year.

3.8% for 2023-24 school year

Implicit price deflator for previous calendar year for each school year starting with 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.

Revenues will equal State expenditures.

### 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 that LEAs will spend these funds in full. Additional costs above state allocation, if any, will be a result of collective bargaining.

OSPI used 3.5% for 2023-24 school year as stated in the bill.

2.2% for school year 2024-25

1.8% for school years 2026-27 and 2026-27

1.9% applied to the calculated values for school years 2027-28 and 2028-29.

## 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	95,580,000	142,966,000	238,546,000	303,832,000	315,089,000
<b>Total \$</b>			95,580,000	142,966,000	238,546,000	303,832,000	315,089,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
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<b>Total \$</b>	95,580,000	142,966,000	238,546,000	303,832,000	315,089,000

**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**

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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.*



**Table 1: SB 5650 Fiscal Impacts**

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