## CERTIFICATION OF ENROLLMENT

## SENATE BILL 5980

61st Legislature 2009 Regular Session

Passed by the Senate March 6, 2009 YEAS 47 NAYS 0	CERTIFICATE
	I, Thomas Hoemann, Secretary of the Senate of the State of Washington do hereby certify that the attached
President of the Senate	is <b>SENATE BILL 5980</b> as passed by the Senate and the House of
Passed by the House April 7, 2009 YEAS 98 NAYS 0	Representatives on the dates hereous set forth.
Speaker of the House of Representatives	Secretary
Approved	FILED
	Secretary of State State of Washington
Governor of the State of Washington	

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## SENATE BILL 5980

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Passed Legislature - 2009 Regular Session

State of Washington

61st Legislature

2009 Regular Session

By Senators Oemig, Brandland, and Fraser

Read first time 02/11/09. Referred to Committee on Ways & Means.

- AN ACT Relating to school plant funding; amending RCW 28A.335.230,
- 2 28A.525.040, 28A.525.090, 28A.525.162, 28A.525.166, and 28A.525.168;
- 3 and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. Sec. 1. The intent of this act is to adopt more
- 6 accurate and descriptive names for the components of the state funding
- 7 formula for the allotment of appropriations for school plant
- 8 facilities, as recommended by the joint legislative task force on
- 9 school construction funding, to promote clarity and transparency in the
- 10 funding formula. It is not the intent of this act to make substantive
- 11 changes to the funding formula or policies.
- 12 Sec. 2. RCW 28A.335.230 and 2006 c 263 s 328 are each amended to
- 13 read as follows:
- 14 School districts shall be required to lease for a reasonable fee
- 15 vacant school plant facilities from a contiguous school district
- 16 wherever possible.
- 17 No school district with unhoused students may be eligible for

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- 1 ((the)) state ((matching funds)) funding assistance for the 2 construction of school plant facilities if:
  - (1) The school district contiguous to the school district applying for the state ((matching)) <u>funding assistance</u> percentage has vacant school plant facilities;
  - (2) The superintendent of public instruction has determined the vacant school plant facilities available in the contiguous district will fulfill the needs of the applicant district in housing unhoused students. In determining whether the contiguous district school plant facilities meet the needs of the applicant district, consideration shall be given, but not limited to the geographic location of the vacant facilities as they relate to the applicant district; and
- 13 (3) A lease of the vacant school plant facilities can be 14 negotiated.
- 15 **Sec. 3.** RCW 28A.525.040 and 1969 ex.s. c 223 s 28A.47.075 are each amended to read as follows:
- State ((matching funds)) funding assistance shall not be denied to any school district undertaking any construction, repairs or improvements for school district purposes solely on the ground that said construction, repairs and improvements are in connection with portable buildings or classrooms.
- 22 **Sec. 4.** RCW 28A.525.090 and 2006 c 263 s 307 are each amended to 23 read as follows:
  - (1) The superintendent of public instruction, considering policy recommendations from the school facilities citizen advisory panel, shall adopt rules for appropriate use of the following construction management techniques: Value engineering, constructibility review, building commissioning, and construction management. Rules adopted under this section shall:
    - (a) Define each technique as it applies to school buildings;
    - (b) Describe the scope of work for each technique;
- 32 (c) Define the timing for implementing each technique in the 33 construction process;
- 34 (d) Determine the appropriate size of projects for the use of each 35 technique; and

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1 (e) Determine standards for qualification and performance for each technique.

- (2) Except as provided in rules adopted under subsection (1)(d) of this section, in allocating state moneys provided under this chapter, the superintendent of public instruction shall include in funding for each project, at the state ((matching)) funding assistance percentage, the cost of each of the construction management techniques listed in subsection (1) of this section.
- (3) When assigning priority and allocating state funds for construction of common school facilities, the superintendent shall consider the adequacy of the construction management techniques used by a district and the compliance with the rules adopted under subsection (1) of this section.
- (4) Except as provided in rules adopted under subsection (1)(d) of this section, the construction management techniques in subsection (1) of this section shall be used on each project submitted for approval by the superintendent.
- (5)(a) School districts applying for state <u>funding</u> assistance for school facilities shall:
- (i) Cause value engineering, constructibility review, and building commissioning to be performed by contract with a professional firm specializing in those construction management techniques; and
- (ii) Contract or employ personnel to perform professional construction management.
- (b) All recommendations from the value engineering and constructibility review construction techniques for a school project shall be presented to the school district's board of directors for acceptance or rejection. If the board of directors rejects a recommendation it shall provide a statement explaining the reasons for rejecting the recommendation and include the statement in the application for state <u>funding</u> assistance to the superintendent of public instruction.
- (6) The office of the superintendent of public instruction shall provide:
- 35 (a) An information and training program for school districts on the 36 use of the construction management techniques; and
- 37 (b) Consulting services to districts on the benefits and best uses 38 of these construction management techniques.

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- **Sec. 5.** RCW 28A.525.162 and 2006 c 263 s 309 are each amended to read as follows:
  - (1) Funds appropriated to the superintendent of public instruction from the common school construction fund shall be allotted by the superintendent of public instruction in accordance with student enrollment and the provisions of RCW 28A.525.200.
  - (2) No allotment shall be made to a school district until such district has provided ((matching)) local funds equal to or greater than the difference between the total approved project cost and the amount of state <u>funding</u> assistance to the district for financing the project computed pursuant to RCW 28A.525.166, with the following exceptions:
  - (a) The superintendent of public instruction may waive the ((matching)) local requirement for state funding assistance for districts which have provided funds for school building construction purposes through the authorization of bonds or through the authorization of excess tax levies or both in an amount equivalent to two and one-half percent of the value of its taxable property, as defined in RCW 39.36.015.
  - (b) No such ((matching)) <u>local</u> funds shall be required as a condition to the allotment of funds <u>from the state</u> for the purpose of making major or minor structural changes to existing school facilities in order to bring such facilities into compliance with the barrier free access requirements of section 504 of the federal rehabilitation act of 1973 (29 U.S.C. Sec. 706) and rules implementing the act.
  - (3) For the purpose of computing the state ((matching)) <u>funding</u> <u>assistance</u> percentage under RCW 28A.525.166 when a school district is granted authority to enter into contracts, adjusted valuation per pupil shall be calculated using headcount student enrollments from the most recent October enrollment reports submitted by districts to the superintendent of public instruction, adjusted as follows:
- 31 (a) In the case of projects for which local bonds were approved 32 after May 11, 1989:
  - (i) For districts which have been designated as serving high school districts under RCW 28A.540.110, students residing in the nonhigh district so designating shall be excluded from the enrollment count if the student is enrolled in any grade level not offered by the nonhigh district;

(ii) The enrollment of nonhigh school districts shall be increased by the number of students residing within the district who are enrolled in a serving high school district so designated by the nonhigh school district under RCW 28A.540.110, including only students who are enrolled in grade levels not offered by the nonhigh school district; and

- (iii) The number of preschool students with disabilities included in the enrollment count shall be multiplied by one-half;
- (b) In the case of construction or modernization of high school facilities in districts serving students from nonhigh school districts, the adjusted valuation per pupil shall be computed using the combined adjusted valuations and enrollments of each district, each weighted by the percentage of the district's resident high school students served by the high school district; and
- 15 (c) The number of kindergarten students included in the enrollment 16 count shall be multiplied by one-half.
  - (4) The superintendent of public instruction, considering policy recommendations from the school facilities citizen advisory panel, shall prescribe such rules as are necessary to equate insofar as possible the efforts made by school districts to provide capital funds by the means aforesaid.
- (5) For the purposes of this section, "preschool students with disabilities" means ((developmentally disabled)) children of preschool age who have developmental disabilities who are entitled to services under RCW 28A.155.010 through 28A.155.100 and are not included in the kindergarten enrollment count of the district.
- **Sec. 6.** RCW 28A.525.166 and 2006 c 263 s 311 are each amended to 28 read as follows:
  - Allocations to school districts of state funds provided by RCW 28A.525.162 through 28A.525.180 shall be made by the superintendent of public instruction and the amount of state <u>funding</u> assistance to a school district in financing a school plant project shall be determined in the following manner:
  - (1) The boards of directors of the districts shall determine the total cost of the proposed project, which cost may include the cost of acquiring and preparing the site, the cost of constructing the building or of acquiring a building and preparing the same for school use, the

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cost of necessary equipment, taxes chargeable to the project, necessary architects' fees, and a reasonable amount for contingencies and for other necessary incidental expenses: PROVIDED, That the total cost of the project shall be subject to review and approval by the superintendent.

(2) The state ((matching)) <u>funding assistance</u> percentage for a school district shall be computed by the following formula:

The ratio of the school district's adjusted valuation per pupil divided by the ratio of the total state adjusted valuation per pupil shall be subtracted from three, and then the result of the foregoing shall be divided by three plus (the ratio of the school district's adjusted valuation per pupil divided by the ratio of the total state adjusted valuation per pupil).

14 District adjusted Total state 15 3-valuation ÷ adjusted valuation State per pupil per pupil 16 Computed Funding 17 State = . \_\_ = - % Assistance Ratio Total state 18 District adjusted 19 ÷ adjusted valuation 3+valuation 20 per pupil per pupil

PROVIDED, That in the event the <u>state funding assistance</u> percentage ((of state assistance)) to any school district based on the above formula is less than twenty percent and such school district is otherwise eligible for state <u>funding</u> assistance under RCW 28A.525.162 through 28A.525.180, the superintendent may establish for such district a <u>state funding assistance</u> percentage ((of state assistance)) not in excess of twenty percent of the approved cost of the project, if the superintendent finds that such additional assistance is necessary to provide minimum facilities for housing the pupils of the district.

- (3) In addition to the computed ((percent of state assistance)) state funding assistance percentage developed in subsection (2) of this section, a school district shall be entitled to additional percentage points determined by the average percentage of growth for the past three years. One percent shall be added to the computed ((percent of state assistance)) state funding assistance percentage for each percent of growth, with a maximum of twenty percent.
- (4) The approved cost of the project determined in the manner prescribed in this section multiplied by the <u>state funding assistance</u> percentage ((<del>of state assistance</del>)) derived as provided for in this

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section shall be the amount of state funding assistance to the district for the financing of the project: PROVIDED, That need therefor has been established to the satisfaction of the superintendent: PROVIDED, FURTHER, That additional state funding assistance may be allowed if it is found by the superintendent, considering policy recommendations from the school facilities citizen advisory panel that such assistance is necessary in order to meet (a) a school housing emergency resulting from the destruction of a school building by fire, the condemnation of a school building by properly constituted authorities, excessive and clearly foreseeable future increase in school population, or other conditions similarly emergent in nature; or (b) a special school housing burden resulting from industrial projects of statewide significance or imposed by virtue of the admission of nonresident students into educational programs established, maintained and operated in conformity with the requirements of law; or (c) a deficiency in the capital funds of the district resulting from financing, subsequent to April 1, 1969, and without benefit of the state <u>funding</u> assistance provided by prior state assistance programs, the construction of a needed school building project or projects approved in conformity with the requirements of such programs, after having first applied for and been denied state funding assistance because of the inadequacy of state funds available for the purpose, or (d) a condition created by the fact that an excessive number of students live in state owned housing, or (e) a need for the construction of a school building to provide for improved school district organization or racial balance, or (f) conditions similar to those defined under (a), (b), (c), (d), and (e) of this subsection, creating a like emergency.

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28 **Sec. 7.** RCW 28A.525.168 and 2006 c 263 s 312 are each amended to 29 read as follows:

Whenever the voters of a school district authorize the issuance of bonds and/or the levying of excess taxes in an amount sufficient to meet the requirements of RCW 28A.525.162 respecting eligibility for state <u>funding</u> assistance in providing school facilities, the taxable valuation of the district and the <u>state funding assistance</u> percentage ((of state assistance)) in providing school facilities prevailing at the time of such authorization shall be the valuation and the percentage used for the purpose of determining the eligibility of the

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district for an allotment of state funds and the amount or amounts of such allotments, respectively, for all projects for which the voters authorize capital funds as aforesaid, unless a higher state funding assistance percentage ((of state assistance)) prevails on the date that state funds for assistance in financing a project are allotted by the superintendent of public instruction in which case the percentage prevailing on the date of allotment by the superintendent of funds for each project shall govern: PROVIDED, That if the superintendent of public instruction, considering policy recommendations from the school facilities citizen advisory panel, determines at any time that there has been undue or unwarranted delay on the part of school district authorities in advancing a project to the point of readiness for an allotment of state funds, the taxable valuation of the school district and the state funding assistance percentage ((of state assistance)) prevailing on the date that the allotment is made shall be used for the purposes aforesaid: PROVIDED, FURTHER, That the date specified in this section as applicable in determining the eligibility of an individual school district for state <u>funding</u> assistance and in determining the amount of such assistance shall be applicable also to cases where it is necessary in administering chapter 28A.540 RCW to determine eligibility for and the amount of state funding assistance for a group of school districts considered as a single school administrative unit.

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