

HOUSE BILL REPORT

HB 3110

As Reported by House Committee On:
Education

Title: An act relating to emergency school repair and renovation.

Brief Description: Providing for an emergency school repair and renovation account.

Sponsors: Representatives Cox, Haigh, Schoesler and Armstrong.

Brief History:

Committee Activity:

Education: 2/2/04, 2/5/04 [DPS].

Brief Summary of Substitute Bill

- Creates a grant program to help small school districts pay for the nonrecurring costs associated with urgent facilities repair and renovation.
- Revises the Common School Construction Fund to permit excess monies to be appropriated for the grant program without the requirement that the funds be replaced before the end of the next fiscal biennium.

HOUSE COMMITTEE ON EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Quall, Chair; McDermott, Vice Chair; Talcott, Ranking Minority Member; Tom, Assistant Ranking Minority Member; Anderson, Cox, Haigh, Hunter, McMahan, Rockefeller and Santos.

Staff: Susan Morrissey (786-7111).

Background:

In 2001, Congress authorized and funded the Emergency School Repair and Renovation Grant program. Through the program, school districts obtained one-time grants for urgent health and safety risks, fire and building code deficiencies, access for disabled students, and asbestos abatement or removal. A minimum of 16 percent of the funding was reserved for high-poverty districts and 21 percent was reserved for rural districts. The remaining funds were available for any district. At least 10 percent of the funds

were required to be held in reserve for cost-overruns.

The Office of the Superintendent of Public Instruction (OSPI) administered Washington's participation in the program. Districts with fewer than 10,000 students were limited to a grant of \$100,000. Districts with more students had a grant limit based on a percentage of enrollment.

Through the program, 97 school districts received almost \$9.5 million for projects requested in 2002. There were 31 districts on a waiting list for any funds remaining in the reserves after all cost over-runs were covered. All projects had to be completed by September 30, 2003. No additional federal funding is anticipated for the program.

By law, the State Board of Education (SBE) is responsible for adopting rules and recommending state capital construction budgets for school facilities.

Summary of Substitute Bill:

The Washington Emergency School Repair and Renovation Grant Program is created. The program is intended to help small (Class Two) school districts pay for urgent repairs and renovations to school buildings. Grants could be used for the one-time cost of projects that address health and safety risks, fire and building code deficiencies, access for disabled students, and asbestos abatement or removal.

The program will be administered by the OSPI under rules adopted by the SBE. The types of projects that might be funded in a given year will be determined by any legislation that provides funding for the projects. First priority in the grants will be given to small and rural school districts that have attempted unsuccessfully to pass a school levy or bond that included the requested project. The state board may adopt additional priorities that provide a determined percentage for high poverty school districts and for other small and rural districts. The rules will define the terms "high poverty school district" and "small and rural school district". The rules will also create a streamlined application and reporting process for the grants.

Some of the types of projects that may be funded are described. The grants cannot be used for recurring costs, new facilities, stadiums, athletic or exhibition facilities, or facilities where admission is charged to the general public. The grants also cannot be used for facility maintenance or to cover the cost of the grant application.

The law governing the Common School Construction Fund is revised to allow money in the fund to be used for the grant program.

The law takes effect on July 1, 2004.

Substitute Bill Compared to Original Bill:

The SBE will adopt rules and guidelines for the program. The SPI will administer the grants. A new account is not created. Technical corrections are made to the common school construction fund language and the bill is restructured for clarity.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect on July 1, 2004.

Testimony For: (In support) Many small school districts pay for emergency facility repairs out of their reserves, but generally those reserves are not sufficient to pay for expensive emergency building repairs. For example, if a student in a wheelchair enters a rural school with two floors, the district may lack the necessary funds to retrofit that school with an elevator. Many rural schools no longer meet state building codes. They have leaky roofs, obsolete fire safety systems, aging plumbing, and decrepit heating and ventilating systems. The federal "RenGrant" program provided one-time emergency repair funds for about forty percent of the state's school districts. If the state were to create a similar program, it would go a long way to helping small districts meet an urgent need and would help create jobs locally. It could be funded out of capital construction money that was appropriated but unspent at the end of a fiscal year. Once the program is established, it could be expanded to meet the needs of all districts.

(Concerns: original bill) The SBE's role in rule adoption for school facilities needs to be incorporated into the legislation.

(Concerns) The program should not be limited to second class districts, the initial focus should be health and safety concerns, the priorities should not be included in statute, and OSPI should be provided with enough staff to properly administer the program.

Testimony Against: None.

Persons Testifying: (In support) Representative Cox, prime sponsor; Jim Kowalkowski, Pomeroy School District and Rural Education Center; Greg Lee; Marianne Seifert, Washington State Board of Health; Barbara Mertens, Washington Association of School Administrators; and Steve Floyd, State Board of Education.

Persons Signed In To Testify But Not Testifying: (In support) Dan Steele, Washington State School Directors' Association.