Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Capital Budget Committee

HB 2276

Brief Description: Establishing a school construction safety net grant program.

Sponsors: Representatives Short, Quall, Ormsby, Kretz, Walsh, Cox, Priest, Sullivan and Warnick.

Brief Summary of Bill

• Creates a School Construction Safety Net Grant Program for school districts that do not qualify for the existing grant program and have low property valuation per student in relation to the state average.

Hearing Date: 2/24/09

Staff: Annie Pennucci (786-7142)

Background:

Washington provides funding assistance for school plant facilities through the School Construction Assistance Grant Program (Grant Program). The Grant Program funds a portion of project costs for school district facility planning, construction, renovation, or modernization. The Grant Program is administered by the Office of the Superintendent of Public Instruction (OSPI).

Three factors determine the amount of state assistance a district may receive through the Grant Program, including: (1) the square footage of instructional space for which the state will provide matching funds (eligible area); (2) the cost per square foot the state will match (area cost allowance); and (3) the matching ratio, which provides a greater proportion of funding assistance to economically disadvantaged districts. For funding assistance for new construction, school districts must be at capacity based on an analysis of enrollment projections and available instructional space. For modernization projects, school districts can apply for funding for the amount of instructional square footage considered eligible under the Grant Program formula.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Additionally, to be eligible for the Grant Program, school districts must pass a bond levy.

Summary of Bill:

The bill creates a School Construction Safety Net Grant Program for school districts that do not qualify for the existing grant program and have low property valuation per student in relation to the state average. The bill directs OSPI to develop rules to implement the grant program and requires that an oversight committee be appointed to establish grant criteria, develop a priority ranking method, and determine awards.

The bill stipulates that eligible school districts have an assessed property value per student of less than 30 percent of the statewide average. The bill requires that school districts provide matching funds for safety net grant awards to pay for at least 25 percent of the total project cost unless the oversight committee waives the match requirement. Subject to appropriation, the bill directs that the first School Construction Safety Net Grants be awarded by March 1, 2011.

Appropriation: None.

Fiscal Note: Requested on February 23, 2009.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.