

FINAL BILL REPORT

2SSB 5572

C 299 L 20
Synopsis as Enacted

Brief Description: Authorizing modernization grants for small school districts.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Honeyford, Takko, Short, Warnick, Schoesler and King).

Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means
House Committee on Capital Budget

Background: The School Construction Assistance Program (SCAP), administered by the Office of the Superintendent of Public Instruction (OSPI), provides school districts with financial assistance to construct new schools and modernize existing facilities. Through SCAP, the state contributes funding, as well as technical assistance, for facility planning, construction, and contracting. State funding assistance is determined using a funding formula based upon three main factors—eligible area, construction cost allocation, and the funding assistance percentage.

The eligible space for new construction is calculated by comparing the current district-wide capacity, in square feet, to the district’s projected enrollment growth and future space needs.

The construction cost allocation is a per-square-foot amount determined by OSPI pursuant to state rule; for the 2017-19 capital budget the construction cost allocation was \$219.58 per square foot.

The state applies a funding assistance percentage, formally known as the match ratio, to equalize state funding assistance. The percentage accounts for differences across school districts in wealth and the ability to generate revenue through property taxes. Districts experiencing rapid growth in student enrollments may receive extra growth points. The minimum percentage is 20 percent of recognized project costs, and can be as much as 100 percent of the recognized costs, depending on district wealth and growth.

Summary: A small school district modernization grant program is established for school districts and state-tribal compact schools that have 1000 or fewer enrolled students (small districts).

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.

Advisory Committee. OSPI must appoint an advisory committee to determine eligibility thresholds, design a grant application process, establish selection criteria, evaluate applications, and send a prioritized list of grants to OSPI and the Governor. Members of the advisory committee must have experience financing, managing, repairing, and improving school facilities in small districts or state-tribal compact schools, but may not be involved in a grant request under consideration.

When prioritizing applications, the advisory committee must seek to achieve the greatest improvement of school facilities in small districts and state-tribal compact schools with the most limited financial capacity for projects that are likely to improve student health, safety, and academic performance for the largest number of students.

Prioritized Grants. The prioritized grant list, proposed by September 1st of each even numbered year, must contain information for each project, including a project description, an estimated project cost, and the proposed state funding level. The list must also indicate student achievement measures that will be used to evaluate the project benefits.

The Governor and OSPI may determine the level of funding for small district modernization grants in their capital budget requests, but must follow the prioritized list developed by the advisory committee.

Coordination with the School Construction Assistance Program. OSPI may coordinate SCAP funding with the small district modernization grant program to ensure that total state funding from both grants does not exceed total project costs minus available local resources.

School districts and state-tribal compact schools applying for the small district modernization grant program must meet SCAP requirements, with the following two exceptions:

- the estimated cost of the project may be less than 40 percent of the replacement value of the facility; and
- the local funding assistance percentage requirements under SCAP do not apply, though available district resources may be considered in prioritization.

Grant Contracts. OSPI must not execute modernization grant contracts until local project resources have been identified. The contract must specify district reporting requirements, including updating information in applicable data systems and submitting a final project report.

The Office of the Superintendent of Public Instruction Requirements. OSPI must provide administrative staff support to the advisory committee and assist in designing the grant application process and prioritization criteria. OSPI must also assist eligible school districts and state-tribal compact schools interested in applying for the small school district modernization grant by providing technical assistance and planning grants within appropriations.

Planning Grants. Districts with incomplete information in the Inventory and Condition of Schools Data System are not eligible to apply for construction grants, but they may apply for planning grants. When seeking a planning grant, a district or state-tribal compact school must provide a statement of the school's condition and deficiencies, financial limitations of

the district or compact school, student enrollment, and student achievement measures. If applications for planning grants exceed available funds OSPI may prioritize recipients based on those districts with the most serious building deficiencies and the most limited financial capacity.

Votes on Final Passage:

2019 Regular Session

Senate 44 0

2020 Regular Session

Senate 45 1

House 97 0

Effective: June 11, 2020