

SENATE BILL REPORT

SB 5442

As of February 7, 2023

Title: An act relating to enrichment funding for charter public schools.

Brief Description: Providing enrichment funding for charter public schools.

Sponsors: Senators Mullet, Cleveland, Salomon, Braun, Lovick, Schoesler, Wilson, L., Short, Dozier, Gildon, King, Lovelett and Wilson, J..

Brief History:

Committee Activity: Early Learning & K-12 Education: 2/09/23.

Brief Summary of Bill

- Provides a per-pupil enrichment grant to charter schools in an amount equivalent to the state local effort assistance threshold—\$1,550 per pupil.
- Authorizes charter schools to apply for state grants on the same basis as school districts.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Alexandra Fairfortune (786-7416)

Background: Charter School Funding. Charter schools are created, governed, and funded separately from common schools, with appropriations for their use distributed from the Washington Opportunity Pathways Account. State apportionment for charter schools is calculated using the same prototypical funding formula and categorical program formulas used to fund common schools. Unlike school districts, charter school boards do not have the authority to levy taxes or issue tax-backed bonds.

Local Effort Assistance. Under the Local Effort Assistance program (LEA), also known as

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levy equalization, the state provides additional funding to school districts at a disadvantage in raising enrichment levies due to low property values.

LEA is provided to any school district that does not generate an enrichment levy of at least \$1,550 per student when levying at a rate of \$1.50 per \$1,000 of assessed value. An eligible school district's maximum LEA is the difference between the district's per pupil levy amount, based on a rate of \$1.50 per \$1,000 of assessed value, and \$1,550 per pupil, multiplied by the district's resident enrollment. Districts eligible for LEA, but levy below a \$1.50 per \$1,000 rate, receive LEA in proportion to their actual levy collection.

State-tribal compact schools may also receive LEA in an amount equal to the enrichment levy per student for the school district in which the state-tribal compact school is located, multiplied by the state-tribal compact school's enrollment. For purposes of making this calculation, levy and enrollment data from the prior school year is used. The maximum LEA a state-tribal compact school can receive is \$1,550 per student.

Summary of Bill: The Office of the Superintendent of Public Instruction must calculate and distribute moneys appropriated by the Legislature to charter schools for enrichment of the state's statutory program of basic education. This enrichment funding must be provided in the form of a per-pupil enrichment grant in the amount of the state local effort assistance threshold, which is currently \$1,550 per pupil adjusted for inflation.

Charter schools are also eligible to apply for other state grants on the same basis as school districts.

Appropriation: None.

Fiscal Note: Requested on February 1, 2023.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.