

SENATE BILL REPORT

SB 5943

As of February 28, 2007

Title: An act relating to establishing a new high poverty school district allocation.

Brief Description: Establishing a high poverty school district allocation.

Sponsors: Senators Brandland, Holmquist, Hobbs, Clements, Rasmussen, Marr, Regala, Hargrove, Kohl-Welles and Parlette.

Brief History:

Committee Activity: Early Learning & K-12 Education: 2/28/07.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Eric Bratton (786-7438)

Background: One of the primary methods for providing state funding for public schools is through formula allocations. Formula allocations include large state-funded programs, such as basic education, special education, and pupil transportation, and are based on student enrollments and other characteristics of each school district. Allocations are paid on a predefined schedule.

Competitive grants are also used as a funding source for public schools. The state and federal governments currently offer competitive grants that target students failing to meet academic standards, students in high poverty areas, and school districts that are trying to reduce class sizes and provide extended learning for students, in addition to other education reform programs. These programs and funds include, among others, the Learning Assistance Program (LAP), the Student Achievement Fund, and federal Title I allocations.

Several studies have shown a correlation between poverty and low student performance. As of May 2006, 36.7 percent of Washington State students qualified for free or reduced price lunches, which is used as an indicator of poverty. If the household income of a student is 130 percent or less of the federal poverty level, the student qualifies for free lunches under the federal program that funds the free and reduced price lunches. For students to qualify for reduced price lunches, household income must be 185 percent or less of the federal poverty rate.

Summary of Bill: Starting with the 2007-08 school year, a new allocation will be established to provide additional funding to school districts in high poverty areas. A school district is eligible for an additional allocation if, in the October headcount enrollment of the prior school year, the number of students eligible for free lunch exceeded the statewide average. Eligible

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school districts will receive an additional allocation based on the percentage by which the district's students eligible for free lunch exceeded the statewide average, multiplied by \$581 per K-12 full-time equivalent student in that district in the prior school year.

After the 2007-08 school year, the amount of the per-student allocation will be adjusted for inflation as measured by the average annual consumer price index, compiled by the bureau of labor statistics, in the prior fiscal year. The additional allocation will not be considered part of the Legislature's definition of basic education and is intended to augment and not supplant funding provided through LAP, the Student Achievement Fund, federal Title I allocations, or any other source currently spent on activities addressing poverty.

Each district receiving an allocation will be required to annually report to its citizens the impact of the additional allocation by looking at graduation rates, student attendance, student achievement, closing the achievement gap, and reducing dropouts.

Appropriation: None.

Fiscal Note: Requested on February 22, 2007.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: There is a direct correlation between poverty and low WASL scores. Providing additional money to high poverty schools could help create a connection between students in poverty and the school by expanding extended day learning opportunities, for example. In order to provide programs that address the needs of students in high poverty areas, there needs to be more funding. Concern is expressed that the main goal needs to be fully funding K-12 education.

Persons Testifying: PRO: Senator Brandland, prime sponsor; Barbara Mertens, Washington Association of School Administrators; Tim Yeomans, Mount Baker School District; Mitch Demming, Alliance of Education Associations.