

SENATE BILL REPORT

SB 6002

As Reported by Senate Committee On:
Ways & Means, January 26, 2012

Title: An act relating to adjustments to the school construction assistance formula.

Brief Description: Making adjustments to the school construction assistance formula.

Sponsors: Senators Kilmer, Parlette, Morton and Shin.

Brief History:

Committee Activity: Ways & Means: 1/23/12, 1/26/12 [DPS].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6002 be substituted therefor, and the substitute bill do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Baumgartner, Brown, Conway, Harper, Hatfield, Hewitt, Holmquist Newbry, Honeyford, Kastama, Keiser, Kohl-Welles, Padden, Pridemore, Regala and Schoesler.

Staff: Brian Sims (786-7431)

Background: School Construction Assistance Program. Washington provides financial assistance to school districts for the construction of new schools and modernization of existing facilities through the School Construction Assistance Program (SCAP) administered by the Office of Superintendent of Public Instruction (OSPI). Appropriations for SCAP are provided in the state capital budget. A school district must first secure local funding before it becomes eligible for state financial assistance. Once the local share is secured, the state allocates funding to districts based on a set of space and cost standards adopted by OSPI and a statutory funding assistance percentage based on the relative wealth of the district as measured by assessed property values divided by student enrollment.

As part of SCAP, an annual enrollment projection report is calculated for all 295 school districts to assist in determining eligibility and state funding assistance percentages for school construction assistance. The enrollment projections are used to determine if there is sufficient need for new classroom space or for modernizing existing space. Current practice counts students enrolled in Alternative Learning Experience (ALE) programs whether or not

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those students ever attend a class in the school building. The enrollment projections are also used to determine the funding assistance percentage.

Alternative Learning Experience Program Enrollments. ALE programs are public school alternative options that are primarily characterized by learning activities that occur away from regular public school classrooms, including those learning experiences provided digitally via the internet or other electronic means. Other away-from-classroom settings include programs with flexible hours, such as contract-based learning, or those set at home through parent partnership programs.

2011-13 Capital Budget Proviso and OSPI Report. Proviso language in the 2011-13 Capital Budget (Engrossed Substitute House Bill 2020, Section 5006) directed OSPI to review the impact of students enrolled in ALE programs on the calculation of student enrollment projections for determining school district eligibility for SCAP funds and report its findings and recommendations to the Legislature no later than December 31, 2011. In its December 2011 report to the Legislature, OSPI found that including students enrolled in ALE programs in the calculation of student enrollment projections does have a significant impact on the state funding assistance awarded to school districts with school construction projects. OSPI recommended continuing to include in-district ALE enrollments when determining eligibility for state assistance through SCAP but exclude out-of-district ALE enrollments from the calculation.

Kindergarten Enrollment Counts. Since 2003 capital budget appropriations have directed OSPI to count kindergarten students as full time students for SCAP funding formula.

Summary of Bill (Recommended Substitute): ALE students who reside outside of a school district are excluded from the school construction funding formula for determining state assistance. School districts may calculate an alternative adjustment that counts out-of-district ALE students who use district classroom facilities offset by in-district ALE students who don't. Kindergarten students included in enrollment counts must be counted as full-time headcount students.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Substitute): Provides an alternative adjustment for calculating student enrollment for the school construction assistance funding formula.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony on Original Bill: CON: Support the provisions for counting kindergarteners as full-time students and the general policy of the bill. Have concerns about not counting out-of-district ALE students who actually do use school facilities.

Persons Testifying: CON: Mitch Denning, Alliance of Education Assn.; Other: Marie Sullivan, WA State School Directors Assn.