

# SENATE BILL REPORT

## SB 5859

---

---

As of February 24, 2015

**Title:** An act relating to the school construction assistance program.

**Brief Description:** Concerning the school construction assistance program.

**Sponsors:** Senators Pedersen, Litzow, Fain, Rivers, Frockt, Jayapal, Kohl-Welles, Rolfes, Darneille, Mullet, Hasegawa, Keiser, Billig, Cleveland, Hobbs, Chase, Nelson, Warnick, King, Habib, Fraser, Miloscia, McAuliffe, Hargrove, Conway, Hill, Becker, Braun, Ranker, O'Ban, Lias, Bailey, Hewitt, Parlette and Hatfield.

**Brief History:**

**Committee Activity:** Ways & Means: 2/23/15.

---

### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Lorrell Noahr (786-7708)

**Background:** The state's School Construction Assistance Program operates as a partnership between local school districts and the state to fund construction of new schools and modernize existing facilities. The state contributes some funding, as well as technical assistance, in facility planning, construction, and contracting. State funding assistance is provided for instructional space. Land purchases and auxiliary facilities, such as stadiums and district administrative space, must be funded entirely with local revenues. 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 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.

---

*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.*

The construction cost allocation is a per-square-foot amount set by the state and used to determine the level of state funding assistance. The Office of Superintendent of Public Instruction (OSPI) submits requests to the Legislature for periodic increases in the allocation to keep pace with inflation.

**Summary of Bill:** The state funding assistance percentage is changed from 20 to 30 percent.

The omnibus appropriations act must identify the state construction cost allowance for school districts. The minimum construction cost allowance must be calculated based on a three-year rolling average of actual new public K–12 school construction costs per square foot.

The minimum state student space allocations must be provided as follows:

- 140 square feet for students in kindergarten through grade six;
- 155 square feet for students in grades seven through eight;
- 165 square feet for students in grades nine through twelve; and
- 165 square feet for students with disabilities in any grade.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** The bill takes effect on July 1, 2016.

**Staff Summary of Public Testimony:** The School Construction Assistance Program is outdated and has hampered school districts' ability to build space. More classrooms are needed for K–3 class-size reduction, all -ay Kindergarten, computer labs, teacher collaboration opportunities, and other state mandates. Increasing the student space allocation is critical. Local voters are asked to make up the difference of the state's underfunding of the formula. High-growth school districts would benefit from the change in the formula. The current student space allocation excludes school districts from entering the program. Analysis in 2008 by OSPI showed the formula provides 25 percent less space than what is being built. In 2012 school districts built an average of 123 square feet for grades K–6, 124 square feet in grades 7–8, and 157 square feet in grades 9–12. Current state funding formulas calculate adequate space; however, our school district had to turn down state funding for full-day kindergarten due to lack of capacity.

**Persons Testifying:** PRO: Tom Seigel, Superintendent, Bethel Schools; Flip Herndon, Assistant Superintendent, Seattle Schools; Steve Crawford, Director, Capital Projects, Issaquah Schools; Deb Fulton, Exec. Director, Support Services, Mukilteo Schools; Dan Steele, WA Assn. of School Administrators; Deb Merle, WA State School Directors' Assn.; Gordon Beck, OSPI; Carter Bagg, citizen.