

# HOUSE BILL REPORT

## HB 1923

---

### As Reported by House Committee On: Capital Budget

**Title:** An act relating to school construction assistance grants for small, rural school districts.

**Brief Description:** Concerning school construction assistance grants for small, rural school districts.

**Sponsors:** Representatives Blake, J. Walsh and Kirby.

#### **Brief History:**

##### **Committee Activity:**

Capital Budget: 2/14/17, 2/23/17 [DP].

#### **Brief Summary of Bill**

- Creates a school construction assistance grant program for school districts with student enrollments less than 1,000.
- Requires an advisory committee, appointed and staffed by the Superintendent of Public Instruction, to propose a list of prioritized grants by September 1 of even-numbered years.
- Establishes prioritization criteria and an evaluation process for the committee to review and rank grant applications.
- Establishes grant disbursement and reporting requirements for the Office of Superintendent of Public Instruction.

---

### HOUSE COMMITTEE ON CAPITAL BUDGET

**Majority Report:** Do pass. Signed by 19 members: Representatives Tharinger, Chair; Doglio, Vice Chair; Peterson, Vice Chair; DeBolt, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Dye, Johnson, Koster, Kraft, MacEwen, Macri, Morris, Reeves, Riccelli, Ryu, Sells, Steele, Stonier and J. Walsh.

**Staff:** Christine Thomas (786-7142).

#### **Background:**

---

*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.*

In the capital budget, the state provides financial assistance to school districts for constructing new school buildings or remodeling and replacing existing ones. State funding assistance is provided for permanent instructional space only, while land purchases and auxiliary facilities, such as stadia and district administrative space, must be funded entirely with local revenues. The School Construction Assistance Program (SCAP), administered by the Office of Superintendent of Public Instruction (OSPI), is based on two principles: (1) state and local school districts share the responsibility for the provision of school facilities; and (2) there is an equalization of burden among school districts to provide school facilities regardless of the wealth of the districts.

A school district must first secure local funding before it becomes eligible for state financial assistance. Local funds may include voter-approved capital levies and bonds, impact fees, mitigation payments, interest income from a school district's capital projects fund, or transfers from a school district's general fund with OSPI approval. Once the local share is secured, the state allocates funding to districts based on a set of space and cost standards adopted by the Legislature, and a statutory funding assistance percentage based on the relative wealth of the district.

More than 170 school districts of the 295 school districts in Washington have fewer than 1,000 student enrollments. Of those school districts, 55 have not received state funding assistance for construction or modernization of schools through the SCAP since 1985.

---

### **Summary of Bill:**

A school construction assistance grant program for modernization of schools in small, rural districts is created. To be eligible, school districts must have enrollments of less than 1,000 students and complete information in the Inventory and Condition of Schools (ICOS) data system administered by the OSPI. The OSPI must appoint an advisory committee comprised of members experienced in financing, managing, repairing, and improving school facilities in small, rural districts. The advisory committee must identify school projects with building deficiencies in small, rural school districts with limited financial capacity and greatest student achievement gaps. The OSPI provides technical assistance to the districts identified by the advisory committee to develop affordable and effective proposals to resolve the building deficiencies. The advisory committee evaluates final applications and submits a prioritized list to the OSPI and the Governor by September 1 of even-numbered years. The OSPI contracts with the school districts receiving the modernization grants and must specify reporting requirements including updating all pertinent information in the ICOS.

---

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) The OSPI recognizes the challenges small, rural school districts face in seeking funding for construction or modernization of their school facilities. A small, rural district modernization grants program would provide an opportunity for those school districts to receive state funding assistance.

(Opposed) None.

**Persons Testifying:** Casey Moore, Office of Superintendent of Public Instruction.

**Persons Signed In To Testify But Not Testifying:** None.