

SENATE BILL REPORT

SB 5453

As of February 20, 2017

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: Senators Honeyford and Frockt.

Brief History:

Committee Activity: Ways & Means: 2/16/17.

Brief Summary of Bill

- Establishes a new grant program to assist small, rural school districts with the cost of school modernization.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Richard Ramsey (786-7412)

Background: The school construction assistance program (SCAP), administered by the Office of Superintendent of Public Instruction (OSPI), provides school districts with financial assistance to expand and modernize school facilities. The amount of financial assistance is based on a formula that considers the amount of square feet needed for the number of students in elementary schools, middle schools, and high schools; multiplied by an assumed cost per square foot for construction; multiplied by a state fund matching rate. The SCAP match rate depends on the relative value of assessed property in the district per student. SCAP only funds permanent school buildings, not portables. A local match, via bond or levy passage, is required for school districts to qualify for SCAP.

The state Constitution authorizes school districts to issue bonds for the purpose of constructing schools. Schools are owned, designed, constructed, and maintained by local school districts. Authorization of general obligation bonds require a 60 percent majority vote.

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.

Summary of Bill: A grant program is created to assist small, rural school districts with the cost of school modernization. Only districts with fewer than 1000 students are eligible. Districts with incomplete inventory and condition of schools (ICOS) information may not apply.

An advisory committee, that is appointed by the Superintendent of Public Instruction, is established; committee members must have experience in financing, managing, repairing and improving school facilities in small rural districts and must not be involved in a small, rural project request in the biennium under consideration. OSPI is to provide administrative and staff support to the committee.

Applications must consist of a brief description of the school condition, its deficiencies, student enrollment, student achievement measures and financial limitations of the district. The advisory committee and OSPI will provide technical assistance to the district to develop affordable and effective proposals to resolve the most serious building deficiencies. The advisory committee must evaluate applications, and by September 1st of even-numbered years, submit a prioritized list of grants to the Superintendent of Public Instruction and the Governor, who must follow the prioritized list in their funding recommendations.

Funding for the grant program will be determined in omnibus capital budget.

Appropriation: None.

Fiscal Note: Available.

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

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

Staff Summary of Public Testimony: PRO: The Chewelah school district can't get into SCAP because of its inability to pass bonds; all 8 bond passage attempts since 1992 have failed. There are 800 students in the school district and the buildings are 35 to 42 years old. The state used to have a small repair grant program. We recommend removing the provision that establishes preference for districts with the greatest achievement gap because there are districts with excellent performance in failing buildings. It is important for OSPI to provide technical assistance. South Bend's elementary school is 70 years old. The district is willing to pass bonds, it did so with 75 percent of the vote, and appraised value limits borrowing capacity to \$6 million. We recommend considering the tax base as a basis for program eligibility.

Persons Testifying: PRO: Rick Linehan, Chewelah School District Superintendent (via remote testimony); Jim Kowalkowski, Eastern Washington Quality Schools Coalition/Davenport School District; Jon Tienhaara, South Bend School District/Superintendent; Casey Moore, Director of School Facilities, OSPI; Curt Guaglianone, Mt. Adams School District.

Persons Signed In To Testify But Not Testifying: No one.