

HOUSE BILL REPORT

EHB 2040

As Amended by the Senate

Title: An act relating to providing flexibility and accountability for nonhigh school districts.

Brief Description: Concerning nonhigh school districts.

Sponsors: Representative MacEwen.

Brief History:

Committee Activity:

Appropriations: 2/28/19 [DP].

Floor Activity:

Passed House: 3/5/19, 97-0.

Floor Activity:

Passed House: 2/18/20, 98-0.

Senate Amended.

Passed Senate: 3/3/20, 49-0.

Brief Summary of Engrossed Bill

- Changes the calculation of a nonhigh school district's local levy payments to a high school district to serve a nonhigh school student.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 32 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; Stokesbary, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Cody, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Jinkins, Kraft, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Schmick, Senn, Springer, Stanford, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

Staff: James Mackison (786-7104).

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.

A nonhigh school district is a district that does not provide instruction for all grades kindergarten through twelfth grade. When a student residing in a nonhigh school district attends high school, the nonhigh school district sends the student to a high school district that provides secondary instruction.

Nonhigh school and high school districts may raise funds locally through enrichment levies. Enrichment levies must be used only for enrichment beyond the state's program of basic education. New limits on enrichment levy collections take effect in 2020, limiting districts to the lesser of \$2.50 per \$1,000 of assessed property value in the district or \$2,500 per pupil increased for inflation. Enrichment levy rates per student vary by district.

Nonhigh school districts are required to reimburse the high school districts for the costs of educating nonhigh school students. The payment amount per student is defined as the enrichment levy rate per student levied by the high school district.

Summary of Engrossed Bill:

A nonhigh school district's payment per student to a high school district is the lesser of the enrichment levy rate per student levied by the high school district or the enrichment levy rate per student levied by the nonhigh school district. If the nonhigh school district does not have an enrichment levy, then the payment is the enrichment levy rate per student in the high school district.

Revenue provided by nonhigh school districts to high school districts is designated for secondary school buildings. Upon a nonhigh school district's request, the high school district must report annual data for attendance, grades, discipline, and state assessments for nonhigh school secondary students served by the high school district within 60 days of the request.

EFFECT OF SENATE AMENDMENT(S):

The Senate amendment adjusts the Superintendent of Public Instruction's formula for estimating amounts due from nonhigh school districts to high school districts to align with provisions of the bill.

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) Post-McCleary, local enrichment levies, which are used to fund nonhigh school payments to high school districts, are lower for all districts. Pre-McCleary, nonhigh school payments were made with maintenance and operations levy authority that increased to cover the fee, with a transfer of funds to the high school district. Discussions around providing more flexibility to local enrichment levies also relate to this issue. This bill addresses the

lack of accountability for student performance to the nonhigh school districts from the high school district. The payment from the nonhigh school district should serve the nonhigh school students being served in the high school district. The bill addresses some of the inequities between nonhigh school and high school districts by making the levy authority the lesser of the per-student levy rates between the two districts.

(Opposed) None.

Persons Testifying: Troy Nichols, Capital Region Education Service District 113; and Greg Woods, Griffin School District.

Persons Signed In To Testify But Not Testifying: None.