FINAL BILL REPORT ESHB 1476

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Synopsis as Enacted

Brief Description: Enrollment stabilization funding to address enrollment declines due to the COVID-19 pandemic.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Dolan, Sullivan, Ortiz-Self, Callan, Santos, Ryu, Shewmake, Johnson, J., Valdez, Eslick, Rule, Lekanoff, Stonier, Ramel, Tharinger, Peterson and Pollet).

House Committee on Appropriations Senate Committee on Ways & Means

Background:

School Funding Formulas, Local Enrichment Levies, and Enrollment.

To determine funding allocations for K-12 public schools, the state uses a prototypical school formula and other program-specific formulas defined in statute. These formulas are largely enrollment-driven, meaning the greater the enrollment, the greater the allocations under state formulas. Enrollment is also a factor in determining enrichment funding from the state for Local Effort Assistance (LEA) and the maximum levy authority for local enrichment levies.

Local enrichment levies can be approved by voters within a school district as a property tax for enrichment beyond the state's statutory program of basic education. Enrichment levy collections are capped for school districts at the lesser of \$2.50 per \$1,000 of assessed property value in the district or a maximum per-pupil limit of \$2,500 per pupil increased for inflation, with districts larger than 40,000 students allowed to collect up to \$3,000 per pupil adjusted for inflation. Per-pupil amounts in the enrichment levy formula are multiplied by enrollment in the prior school year; for example, 2022 per-pupil amounts would be multiplied by enrollment in the 2020-21 school year.

Coronavirus Disease (COVID-19) and School Closures.

Coronavirus disease (COVID-19) is an infectious disease caused by the severe acute

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respiratory syndrome coronavirus 2 (SARS-CoV-2) virus. As a result of the virus, schools closed to in-person instruction in March 2020. For the 2020-21 school year, most students and schools have used remote learning models for instruction. For in-person instruction, schools are required to follow health and safety requirements that include social distancing and use of personal protective equipment.

K-12 Enrollment Declines in the 2020-21 School Year.

Enrollment in the 2020-21 school year has declined from the 2019-20 school year. For students in kindergarten through twelfth grades, full-time equivalent enrollment in January 2021 declined nearly 4 percent from the previous year. Enrollments in other programs have also declined in the 2020-21 school year. Prior to this year, common school enrollments have grown in each of the last eight school years, since 2011-12.

Summary:

Enrichment levy formulas to determine the maximum per-pupil limit for enrichment levy authority in the 2022 calendar year are revised. A school district's 2019-20 enrollment must be used in place of 2020-21 if 2019-20 enrollment is greater, and the school district is open for in-person instruction at the beginning of the 2021-22 school year.

"Open for in-person instruction" is defined, and means that all students in all grades have the option to participate in at least 40 hours of planned in-person instruction per month and the school follows state department of health guidance and recommendations for resuming in-person instruction to the greatest extent practicable.

Votes on Final Passage:

House 90 7 48 1 Senate (Senate amended) (House refused to concur in Senate amendments/asked Senate to House recede from amendment) Senate (Senate insisted on its position/asked House to concur) House 93 4 (House concurred)

Effective: July 25, 2021