
SUBSTITUTE HOUSE BILL 1590

State of Washington

67th Legislature

2022 Regular Session

By House Appropriations (originally sponsored by Representatives Dolan, Callan, Pollet, Bateman, Ramel, Wicks, J. Johnson, Senn, Ryu, Duerr, Walen, Goehner, Valdez, Davis, Fey, Ramos, Santos, Simmons, Wylie, Slatter, Kloba, Stonier, Riccelli, Hackney, and Frame)

READ FIRST TIME 02/07/22.

1 AN ACT Relating to enrollment stabilization funding to address
2 enrollment declines due to the COVID-19 pandemic; amending RCW
3 28A.500.015; reenacting and amending RCW 84.52.0531; creating new
4 sections; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature recognizes that the
7 COVID-19 pandemic continues to impact the delivery of education
8 across the state, as school districts resume in-person instructional
9 models with heightened efforts to protect the health and well-being
10 of students and staff and address the pandemic's impact on student
11 learning. The legislature also recognizes that state funding formulas
12 are largely driven by enrollment, and the pandemic has resulted in
13 unforeseen, temporary enrollment declines in many districts. Funding
14 declines due to temporary, unforeseen changes in enrollment can
15 affect a district's ability to maintain the staffing and resources
16 needed to deliver education services. Stabilization funding in the
17 2020-21 school year provided important support for schools to
18 maintain services amid enrollment declines. With this act and in the
19 omnibus operating appropriations act, the legislature intends to
20 extend stabilizing funding to districts that have seen temporary
21 enrollment declines due to the COVID-19 pandemic.

1 **Sec. 2.** RCW 84.52.0531 and 2021 c 221 s 2 and 2021 c 145 s 22
2 are each reenacted and amended to read as follows:

3 (1) Beginning with taxes levied for collection in 2020, the
4 maximum dollar amount which may be levied by or for any school
5 district for enrichment levies under RCW 84.52.053 is equal to the
6 lesser of two dollars and fifty cents per thousand dollars of the
7 assessed value of property in the school district or the maximum per-
8 pupil limit. This maximum dollar amount shall be reduced accordingly
9 as provided under RCW 43.09.2856(2).

10 (2) The definitions in this subsection apply to this section
11 unless the context clearly requires otherwise.

12 (a) For the purpose of this section, "inflation" means the
13 percentage change in the seasonally adjusted consumer price index for
14 all urban consumers, Seattle area, for the most recent 12-month
15 period as of September 25th of the year before the taxes are payable,
16 using the official current base compiled by the United States bureau
17 of labor statistics.

18 (b) "Maximum per-pupil limit" means:

19 (i) Two thousand five hundred dollars, as increased by inflation
20 beginning with property taxes levied for collection in 2020,
21 multiplied by the number of average annual full-time equivalent
22 students enrolled in the school district in the prior school year,
23 for school districts with fewer than forty thousand annual full-time
24 equivalent students enrolled in the school district in the prior
25 school year; or

26 (ii) Three thousand dollars, as increased by inflation beginning
27 with property taxes levied for collection in 2020, multiplied by the
28 number of average annual full-time equivalent students enrolled in
29 the school district in the prior school year, for school districts
30 with forty thousand or more annual full-time equivalent students
31 enrolled in the school district in the prior school year.

32 (c) "Open for in-person instruction to all students" means that
33 all students in all grades have the option to participate in at least
34 40 hours of planned in-person instruction per month and the school
35 follows state department of health guidance and recommendations for
36 resuming in-person instruction to the greatest extent practicable.

37 (d) "Prior school year" means the most recent school year
38 completed prior to the year in which the levies are to be collected,
39 except (~~that in~~) as follows:

1 (i) In the 2022 calendar year, if 2019-20 school year average
2 annual full-time equivalent enrollment is greater than the school
3 district's 2020-21 school year average annual full-time equivalent
4 enrollment and the school district is open for in-person instruction
5 to all students by the beginning of the 2021-22 school year, "prior
6 school year" means the 2019-20 school year.

7 (ii) In the 2023 calendar year, if 2019-20 school year average
8 annual full-time equivalent enrollment is greater than the school
9 district's 2021-22 school year average annual full-time equivalent
10 enrollment and the school district was open for in-person instruction
11 to all students by the beginning of the 2021-22 school year, "prior
12 school year" means the 2019-20 school year.

13 (iii) In the 2024 calendar year, if 2019-20 school year average
14 annual full-time equivalent enrollment is greater than the school
15 district's 2022-23 school year average annual full-time equivalent
16 enrollment and the school district was open for in-person instruction
17 to all students by the beginning of the 2021-22 school year, "prior
18 school year" means the 2019-20 school year.

19 (3) For districts in a high/nonhigh relationship, the enrollments
20 of the nonhigh students attending the high school shall only be
21 counted by the nonhigh school districts for purposes of funding under
22 this section.

23 (4) For school districts participating in an innovation academy
24 cooperative established under RCW 28A.340.080, enrollments of
25 students attending the academy shall be adjusted so that each
26 participant district receives its proportional share of student
27 enrollments for purposes of funding under this section.

28 (5) Beginning with propositions for enrichment levies for
29 collection in calendar year 2020 and thereafter, a district must
30 receive approval of an enrichment levy expenditure plan under RCW
31 28A.505.240 before submission of the proposition to the voters.

32 (6) The superintendent of public instruction shall develop rules
33 and regulations and inform school districts of the pertinent data
34 necessary to carry out the provisions of this section.

35 (7) Beginning with taxes levied for collection in 2018,
36 enrichment levy revenues must be deposited in a separate subfund of
37 the school district's general fund pursuant to RCW 28A.320.330, and
38 for the 2018-19 school year are subject to the restrictions of RCW
39 28A.150.276 and the audit requirements of RCW 43.09.2856.

1 (8) Funds collected from levies for transportation vehicles,
2 construction, modernization, or remodeling of school facilities as
3 established in RCW 84.52.053 are not subject to the levy limitations
4 in subsections (1) through (5) of this section.

5 **Sec. 3.** RCW 28A.500.015 and 2019 c 410 s 1 are each amended to
6 read as follows:

7 (1) Beginning in calendar year 2020 and each calendar year
8 thereafter, the state must provide state local effort assistance
9 funding to supplement school district enrichment levies as provided
10 in this section.

11 (2)(a) For an eligible school district with an actual enrichment
12 levy rate that is less than one dollar and fifty cents per thousand
13 dollars of assessed value in the school district, the annual local
14 effort assistance funding is equal to the school district's maximum
15 local effort assistance multiplied by a fraction equal to the school
16 district's actual enrichment levy rate divided by one dollar and
17 fifty cents per thousand dollars of assessed value in the school
18 district.

19 (b) For an eligible school district with an actual enrichment
20 levy rate that is equal to or greater than one dollar and fifty cents
21 per thousand dollars of assessed value in the school district, the
22 annual local effort assistance funding is equal to the school
23 district's maximum local effort assistance.

24 (c) Beginning in calendar year 2022, for state-tribal education
25 compact schools established under chapter 28A.715 RCW, the annual
26 local effort assistance funding is equal to the actual enrichment
27 levy per student as calculated by the superintendent of public
28 instruction for the previous year for the school district in which
29 the state-tribal education compact school is located, up to a maximum
30 per student amount of one thousand five hundred fifty dollars as
31 increased by inflation from the 2019 calendar year, multiplied by the
32 student enrollment of the state-tribal education compact school in
33 the prior school year.

34 ~~((d) For a school district that meets the criteria in this~~
35 ~~subsection and is located west of the Cascades in a county that~~
36 ~~borders another state, the annual local effort assistance funding is~~
37 ~~equal to the local effort assistance funding authorized under (b) of~~
38 ~~this subsection and additional local effort assistance funding equal~~
39 ~~to the following amounts:~~

1 ~~(i) Two hundred forty-six dollars per pupil in the 2019-20 school~~
2 ~~year for a school district with more than twenty-five thousand annual~~
3 ~~full-time equivalent students; and~~

4 ~~(ii) Two hundred eighty-six dollars per pupil in the 2019-20~~
5 ~~school year for a school district with more than twenty thousand~~
6 ~~annual full-time equivalent enrolled students but fewer than twenty-~~
7 ~~five thousand annual full-time equivalent enrolled students.)~~

8 (3) The state local effort assistance funding provided under this
9 section is not part of the state's program of basic education deemed
10 by the legislature to comply with the requirements of Article IX,
11 section 1 of the state Constitution.

12 (4) The definitions in this subsection apply throughout this
13 section unless the context clearly requires otherwise.

14 (a) "Eligible school district" means a school district where the
15 amount generated by a levy of one dollar and fifty cents per thousand
16 dollars of assessed value in the school district, divided by the
17 school district's total student enrollment in the prior school year,
18 is less than the state local effort assistance threshold.

19 (b) For the purpose of this section, "inflation" means, for any
20 school year, the rate of the yearly increase of the previous calendar
21 year's annual average consumer price index for all urban consumers,
22 Seattle area, using the official current base compiled by the bureau
23 of labor statistics, United States department of labor.

24 (c) "Maximum local effort assistance" means the difference
25 between the following:

26 (i) The school district's actual prior school year enrollment
27 multiplied by the state local effort assistance threshold; and

28 (ii) The amount generated by a levy of one dollar and fifty cents
29 per thousand dollars of assessed value in the school district.

30 (d) "Prior school year" means the most recent school year
31 completed prior to the year in which the state local effort
32 assistance funding is to be distributed, except as follows:

33 (i) In the 2022 calendar year, if 2019-20 school year average
34 annual full-time equivalent enrollment is greater than the school
35 district's 2020-21 school year average annual full-time equivalent
36 enrollment, "prior school year" means the 2019-20 school year.

37 (ii) In the 2023 calendar year, if 2019-20 school year average
38 annual full-time equivalent enrollment is greater than the school
39 district's 2021-22 school year average annual full-time equivalent
40 enrollment, "prior school year" means the 2019-20 school year.

1 (e) "State local effort assistance threshold" means one thousand
2 five hundred fifty dollars per student, increased for inflation
3 beginning in calendar year 2020.

4 (f) "Student enrollment" means the average annual full-time
5 equivalent student enrollment.

6 (5) For districts in a high/nonhigh relationship, the enrollments
7 of the nonhigh students attending the high school shall only be
8 counted by the nonhigh school districts for purposes of funding under
9 this section.

10 (6) For school districts participating in an innovation academy
11 cooperative established under RCW 28A.340.080, enrollments of
12 students attending the academy shall be adjusted so that each
13 participant district receives its proportional share of student
14 enrollments for purposes of funding under this section.

15 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
16 preservation of the public peace, health, or safety, or support of
17 the state government and its existing public institutions, and takes
18 effect immediately.

19 NEW SECTION. **Sec. 5.** If specific funding for the purposes of
20 this act, referencing this act by bill or chapter number, is not
21 provided by June 30, 2022, in the omnibus appropriations act, this
22 act is null and void.

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