
HOUSE BILL 2161

State of Washington 64th Legislature 2015 Regular Session

By Representatives Pollet, Kagi, Tarleton, Ryu, and Farrell

Read first time 02/20/15. Referred to Committee on Capital Budget.

1 AN ACT Relating to the school construction assistance program;
2 amending RCW 28A.525.162 and 28A.525.166; creating a new section;
3 providing an effective date; and declaring an emergency.

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

5 **Sec. 1.** RCW 28A.525.162 and 2013 2nd sp.s. c 18 s 513 are each
6 amended to read as follows:

7 (1) Funds appropriated to the superintendent of public
8 instruction from the common school construction fund shall be
9 allotted by the superintendent of public instruction in accordance
10 with this chapter.

11 (2) No allotment shall be made to a school district until such
12 district has provided local funds equal to or greater than the
13 difference between the total approved project cost and the amount of
14 state funding assistance to the district for financing the project
15 computed pursuant to RCW 28A.525.166, with the following exceptions:

16 (a) The superintendent of public instruction may waive the local
17 requirement for state funding assistance for districts which have
18 provided funds for school building construction purposes through the
19 authorization of bonds or through the authorization of excess tax
20 levies or both in an amount equivalent to two and one-half percent of
21 the value of its taxable property, as defined in RCW 39.36.015.

1 (b) No such local funds shall be required as a condition to the
2 allotment of funds from the state for the purpose of making major or
3 minor structural changes to existing school facilities in order to
4 bring such facilities into compliance with the barrier free access
5 requirements of section 504 of the federal rehabilitation act of 1973
6 (29 U.S.C. Sec. 706) and rules implementing the act.

7 (3) For the purpose of computing the state funding assistance
8 percentage under RCW 28A.525.166 when a school district is granted
9 authority to enter into contracts, adjusted valuation per pupil shall
10 be calculated using headcount student enrollments from the most
11 recent October enrollment reports submitted by districts to the
12 superintendent of public instruction, adjusted as follows:

13 (a) In the case of projects for which local bonds were approved
14 after May 11, 1989:

15 (i) For districts which have been designated as serving high
16 school districts under RCW 28A.540.110, students residing in the
17 nonhigh district so designating shall be excluded from the enrollment
18 count if the student is enrolled in any grade level not offered by
19 the nonhigh district;

20 (ii) The enrollment of nonhigh school districts shall be
21 increased by the number of students residing within the district who
22 are enrolled in a serving high school district so designated by the
23 nonhigh school district under RCW 28A.540.110, including only
24 students who are enrolled in grade levels not offered by the nonhigh
25 school district; and

26 (iii) The number of preschool students with disabilities included
27 in the enrollment count shall be multiplied by one-half;

28 (b) In the case of construction or modernization of high school
29 facilities in districts serving students from nonhigh school
30 districts, the adjusted valuation per pupil shall be computed using
31 the combined adjusted valuations and enrollments of each district,
32 each weighted by the percentage of the district's resident high
33 school students served by the high school district;

34 (c) The number of kindergarten students included in the
35 enrollment count shall be counted as one headcount student; and

36 (d) The number of students residing outside the school district
37 who are enrolled in alternative learning experience courses under RCW
38 28A.232.010 shall be excluded from the total.

39 (4) In lieu of the exclusion in subsection (3)(d) of this
40 section, a district may submit an alternative calculation for

1 excluding students enrolled in alternative learning experience
2 courses. The alternative calculation must show the student headcount
3 use of district classroom facilities on a regular basis for a regular
4 duration by out-of-district alternative learning experience students
5 subtracted by the headcount of in-district alternative learning
6 experience students not using district classroom facilities on a
7 regular basis for a reasonable duration. The alternative calculation
8 must be submitted in a form approved by the office of the
9 superintendent of public instruction. The office of the
10 superintendent of public instruction must develop rules to define
11 "regular basis" and "reasonable duration."

12 (5) The superintendent of public instruction, considering policy
13 recommendations from the school facilities citizen advisory panel,
14 shall prescribe such rules as are necessary to equate insofar as
15 possible the efforts made by school districts to provide capital
16 funds by the means aforesaid.

17 (6) For the purposes of this section, "preschool students with
18 disabilities" means children of preschool age who have developmental
19 disabilities who are entitled to services under RCW 28A.155.010
20 through 28A.155.100 and are not included in the kindergarten
21 enrollment count of the district.

22 (7)(a) School districts with student headcount enrollments of
23 more than forty-eight thousand, or with one or more geographic areas
24 in which enrollment growth in the prior five years, projected in the
25 next seven years, or a combination thereof, has resulted in, or will
26 result in, growth in enrollment which will exceed the student
27 capacity of more than four schools by greater than ten percent, may
28 be divided by geographic areas within the school district when
29 calculating eligible space for state funding assistance. School
30 districts shall not have more than four geographic areas.

31 (b) The office of the superintendent of public instruction shall
32 create rules for the implementation of (a) of this subsection.

33 **Sec. 2.** RCW 28A.525.166 and 2013 2nd sp.s. c 18 s 514 are each
34 amended to read as follows:

35 Allocations to school districts of state funds provided by RCW
36 28A.525.162 through 28A.525.180 shall be made by the superintendent
37 of public instruction and the amount of state funding assistance to a
38 school district in financing a school plant project shall be
39 determined in the following manner:

1 (1) The boards of directors of the districts shall determine the
 2 total cost of the proposed project, which cost may include the cost
 3 of acquiring and preparing the site, the cost of constructing the
 4 building or of acquiring a building and preparing the same for school
 5 use, the cost of necessary equipment, taxes chargeable to the
 6 project, necessary architects' fees, and a reasonable amount for
 7 contingencies and for other necessary incidental expenses: PROVIDED,
 8 That the total cost of the project shall be subject to review and
 9 approval by the superintendent.

10 (2) The state funding assistance percentage for a school district
 11 shall be computed by the following formula:

12 The ratio of the school district's adjusted valuation per pupil
 13 divided by the ratio of the total state adjusted valuation per pupil
 14 shall be subtracted from three, and then the result of the foregoing
 15 shall be divided by three plus (the ratio of the school district's
 16 adjusted valuation per pupil divided by the ratio of the total state
 17 adjusted valuation per pupil).

	District adjusted	Total state	
	3-valuation	÷ adjusted valuation	
Computed	per pupil	per pupil	State
State =	_____		= - % Funding
Ratio	District adjusted	Total state	Assistance
	3+valuation	÷ adjusted valuation	
	per pupil	per pupil	

25 PROVIDED, That in the event the state funding assistance percentage
 26 to any school district based on the above formula is less than
 27 ((~~twenty~~)) thirty percent and such school district is otherwise
 28 eligible for state funding assistance under RCW 28A.525.162 through
 29 28A.525.180, the superintendent may establish for such district a
 30 state funding assistance percentage not in excess of ((~~twenty~~))
 31 thirty percent of the approved cost of the project, if the
 32 superintendent finds that such additional assistance is necessary to
 33 provide minimum facilities for housing the pupils of the district.

34 (3) In addition to the computed state funding assistance
 35 percentage developed in subsection (2) of this section, a school
 36 district shall be entitled to additional percentage points determined
 37 by the average percentage of growth for the past three years. One
 38 percent shall be added to the computed state funding assistance

1 percentage for each percent of growth, with a maximum of twenty
2 percent.

3 (4) In computing the state funding assistance percentage in
4 subsection (2) of this section and adjusting the percentage under
5 subsection (3) of this section, students residing outside the school
6 district who are enrolled in alternative learning experience courses
7 under RCW 28A.232.010 shall be excluded from the count of total
8 pupils. In lieu of the exclusion in this subsection, a district may
9 submit an alternative calculation for excluding students enrolled in
10 alternative learning experience courses. The alternative calculation
11 must show the student headcount use of district classroom facilities
12 on a regular basis for a reasonable duration by out-of-district
13 alternative learning experience students subtracted by the headcount
14 of in-district alternative learning experience students not using
15 district classroom facilities on a regular basis for a reasonable
16 duration. The alternative calculation must be submitted in a form
17 approved by the office of the superintendent of public instruction.
18 The office of the superintendent of public instruction must develop
19 rules to define "regular basis" and "reasonable duration."

20 (5) The approved cost of the project determined in the manner
21 prescribed in this section multiplied by the state funding assistance
22 percentage derived as provided for in this section shall be the
23 amount of state funding assistance to the district for the financing
24 of the project: PROVIDED, That need therefor has been established to
25 the satisfaction of the superintendent: PROVIDED, FURTHER, That
26 additional state funding assistance may be allowed if it is found by
27 the superintendent, considering policy recommendations from the
28 school facilities citizen advisory panel that such assistance is
29 necessary in order to meet (a) a school housing emergency resulting
30 from the destruction of a school building by fire, the condemnation
31 of a school building by properly constituted authorities, a sudden
32 excessive and clearly foreseeable future increase in school
33 population, (~~or~~) other conditions similarly emergent in nature, or
34 a combination of increases in student enrollment in the prior five-
35 year period and projected enrollments over the next seven years which
36 has resulted in, or will result in, four or more schools in the
37 geographic area or entire district exceeding capacity; or (b) a
38 special school housing burden resulting from projects of statewide
39 significance or imposed by virtue of the admission of nonresident
40 students into educational programs established, maintained and

1 operated in conformity with the requirements of law; or (c) a
2 deficiency in the capital funds of the district resulting from
3 financing, subsequent to April 1, 1969, and without benefit of the
4 state funding assistance provided by prior state assistance programs,
5 the construction of a needed school building project or projects
6 approved in conformity with the requirements of such programs, after
7 having first applied for and been denied state funding assistance
8 because of the inadequacy of state funds available for the purpose,
9 or (d) a condition created by the fact that an excessive number of
10 students live in state owned housing, or (e) a need for the
11 construction of a school building to provide for improved school
12 district organization or racial balance, or (f) conditions similar to
13 those defined under (a), (b), (c), (d), and (e) of this subsection,
14 creating a like emergency.

15 (6) The omnibus appropriations act shall identify the state
16 construction cost allowance for school districts. The minimum
17 construction cost allowance shall be calculated based on a three-year
18 rolling average of actual new public K-12 school construction and
19 renovation costs per square foot, when the purpose of the renovations
20 are to increase capacity due to significant increases in enrollment
21 which have resulted in the schools in a geographic subarea of a
22 district exceeding capacity, or to meet class size reduction and
23 full-day kindergarten goals established by the legislature pursuant
24 to chapter 236, Laws of 2010 (Substitute House Bill No. 2776) and as
25 ordered by the supreme court of Washington in *McCleary v. State*, No.
26 84362-7 (Wash. Jan. 9, 2014).

27 (7) The minimum state student space allocations shall be provided
28 as follows:

29 (a) One hundred forty square feet for students in kindergarten
30 through grade six;

31 (b) One hundred fifty-five square feet for students in grades
32 seven through eight;

33 (c) One hundred sixty-five square feet for students in grades
34 nine through twelve; and

35 (d) One hundred sixty-five square feet for students with
36 disabilities in any grade.

37 NEW SECTION. Sec. 3. The overcrowded schools and class size
38 reduction fund is created in the state treasury. Moneys in the fund
39 may be spent only after appropriation. Expenditures from the fund may

1 only be used for grants to provide needed construction assistance to
2 support statewide implementation of full-day kindergarten and early
3 elementary class size reduction in districts, or a geographic portion
4 of a district pursuant to RCW 28A.525.162, where a combination of
5 increases in student enrollment in the prior five-year period and
6 projected enrollments over the next seven years which has resulted
7 in, or will result in, four or more schools in the geographic area or
8 entire district exceeding capacity of the school buildings.

9 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
10 preservation of the public peace, health, or safety, or support of
11 the state government and its existing public institutions, and takes
12 effect July 1, 2015.

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