
ENGROSSED SUBSTITUTE SENATE BILL 5853

State of Washington

66th Legislature

2019 Regular Session

By Senate Ways & Means (originally sponsored by Senators Pedersen, Warnick, Frockt, Bailey, Carlyle, Zeiger, Dhingra, Becker, Wellman, Walsh, King, Lias, Wagoner, Palumbo, Hobbs, Rivers, Keiser, Hunt, Darneille, Rolfes, Hasegawa, Conway, Braun, Billig, Kuderer, Salomon, Cleveland, McCoy, Nguyen, Short, Das, Hawkins, Takko, Saldaña, Randall, O'Ban, Wilson, C., Van De Wege, and Wilson, L.)

READ FIRST TIME 03/01/19.

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

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

5 NEW SECTION. **Sec. 1.** The legislature finds that the 2017-2019
6 omnibus capital appropriations act established a joint legislative
7 task force on improving state support for school construction. The
8 task force, through multiple public hearings and visits to schools
9 around the state, developed recommendations for improvements to the
10 school construction assistance program. This act implements consensus
11 recommendations of the task force that relate directly to the school
12 construction assistance program, including: (1) Adjusting the square
13 footage per student allocation to reflect what is actually getting
14 built; and (2) increasing the state match floor from twenty percent
15 to thirty percent. It also implements a majority recommendation of
16 the task force to remove policy disadvantages to preservation of
17 historic buildings. This act also calls for the development of
18 methods to project the need for state financing of school
19 construction and ways to reduce the school construction costs to
20 state and local taxpayers before fully implementing state funding
21 improvements.

1 **Sec. 2.** RCW 28A.525.166 and 2015 3rd sp.s. c 3 s 7018 are each
2 amended to read as follows:

3 Allocations to school districts of state funds provided by RCW
4 28A.525.162 through 28A.525.180 shall be made by the superintendent
5 of public instruction and the amount of state funding assistance to a
6 school district in financing a school plant project shall be
7 determined in the following manner:

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

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

19 (a) Except as provided in (b) of this subsection, the ratio of
20 the school district's adjusted valuation per pupil divided by the
21 ratio of the total state adjusted valuation per pupil shall be
22 subtracted from three, and then the result of the foregoing shall be
23 divided by three plus (the ratio of the school district's adjusted
24 valuation per pupil divided by the ratio of the total state adjusted
25 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	

33 (~~PROVIDED, That~~) (b) In the event the state funding assistance
34 percentage to any school district based on the above formula is less
35 than (~~twenty~~) thirty percent and such school district is otherwise
36 eligible for state funding assistance under RCW 28A.525.162 through
37 28A.525.180, the superintendent (~~may~~) must establish for such
38 district a state funding assistance percentage not in excess of

1 (~~twenty~~) thirty percent of the approved cost of the project (~~(, if~~
2 ~~the superintendent finds that such additional assistance is necessary~~
3 ~~to provide minimum facilities for housing the pupils of the~~
4 ~~district)~~).

5 (3) In addition to the computed state funding assistance
6 percentage developed in subsection (2) of this section, a school
7 district shall be entitled to five additional percentage points if
8 the project renovates a school building that has been listed on the
9 national register of historic places, the Washington heritage
10 register consistent with chapter 27.34 RCW, or listed on a local
11 register of historic places.

12 (4) In addition to the computed state funding assistance
13 percentage developed in subsection (2) of this section, a school
14 district shall be entitled to additional percentage points determined
15 by the average percentage of growth for the past three years. One
16 percent shall be added to the computed state funding assistance
17 percentage for each percent of growth, with a maximum of twenty
18 percent.

19 (~~(4)~~) (5) In computing the state funding assistance percentage
20 in subsection (2) of this section and adjusting the percentage under
21 subsection (~~(3)~~) (4) of this section, students residing outside the
22 school district who are enrolled in alternative learning experience
23 courses under RCW 28A.232.010 shall be excluded from the count of
24 total pupils. In lieu of the exclusion in this subsection, a district
25 may submit an alternative calculation for excluding students enrolled
26 in alternative learning experience courses. The alternative
27 calculation must show the student headcount use of district classroom
28 facilities on a regular basis for a reasonable duration by out-of-
29 district alternative learning experience students subtracted by the
30 headcount of in-district alternative learning experience students not
31 using district classroom facilities on a regular basis for a
32 reasonable duration. The alternative calculation must be submitted in
33 a form approved by the office of the superintendent of public
34 instruction. The office of the superintendent of public instruction
35 must develop rules to define "regular basis" and "reasonable
36 duration."

37 (~~(5)~~) (6) The approved cost of the project determined in the
38 manner prescribed in this section multiplied by the state funding
39 assistance percentage derived as provided for in this section shall
40 be the amount of state funding assistance to the district for the

1 financing of the project: PROVIDED, That need therefor has been
2 established to the satisfaction of the superintendent: PROVIDED,
3 FURTHER, That additional state funding assistance may be allowed if
4 it is found by the superintendent, considering policy recommendations
5 from the school facilities citizen advisory panel that such
6 assistance is necessary in order to meet (a) a school housing
7 emergency resulting from the destruction of a school building by
8 fire, the condemnation of a school building by properly constituted
9 authorities, a sudden excessive and clearly foreseeable future
10 increase in school population, or other conditions similarly emergent
11 in nature; or (b) a special school housing burden resulting from
12 projects of statewide significance or imposed by virtue of the
13 admission of nonresident students into educational programs
14 established, maintained and operated in conformity with the
15 requirements of law; or (c) a deficiency in the capital funds of the
16 district resulting from financing, subsequent to April 1, 1969, and
17 without benefit of the state funding assistance provided by prior
18 state assistance programs, the construction of a needed school
19 building project or projects approved in conformity with the
20 requirements of such programs, after having first applied for and
21 been denied state funding assistance because of the inadequacy of
22 state funds available for the purpose, or (d) a condition created by
23 the fact that an excessive number of students live in state owned
24 housing, or (e) a need for the construction of a school building to
25 provide for improved school district organization or racial balance,
26 or (f) conditions similar to those defined under (a), (b), (c), (d),
27 and (e) of this subsection, creating a like emergency.

28 ~~((6) For the 2015-2017 biennium, schools determined to have a~~
29 ~~lack of sufficient space to provide science classrooms or labs, to~~
30 ~~meet the requirements of law, have a special housing burden condition~~
31 ~~similar to those defined under subsection (5)(b) of this section,~~
32 ~~creating a like emergency. For the 2015-2017 biennium, school~~
33 ~~districts are entitled to additional percentage points for school~~
34 ~~construction projects that have a special housing burden condition~~
35 ~~only and have received private donations in the form of cash, in-~~
36 ~~kind, or equipment of more than one hundred thousand dollars. The~~
37 ~~additional percentage points are determined by (a) school district~~
38 ~~student enrollments in the free and reduced-price meals program, (b)~~
39 ~~school district class as defined by RCW 28A.300.065, and (c) the~~
40 ~~funding assistance percentage as calculated in subsection (2) of this~~

1 ~~section. The additional percentage points under (a) of this~~
2 ~~subsection are twenty percent of the percent of student enrollments~~
3 ~~eligible and enrolled in the free and reduced-price meals program.~~
4 ~~The additional percentage points under (b) of this subsection are ten~~
5 ~~for second class school districts. The additional percentage points~~
6 ~~under (c) of this subsection are ten for school districts with~~
7 ~~funding assistance percentages of more than fifty percent.)) (7) If~~
8 the estimated total state general obligation bond appropriation for
9 the school construction assistance program exceeds thirty percent of
10 the total state general obligation bond appropriations, the state
11 construction cost allocation used in calculating state funding
12 assistance in the construction of school facilities shall be reduced
13 in the omnibus capital appropriations act so that the total state
14 general obligation bond appropriation for the school construction
15 assistance program does not exceed thirty percent of the total state
16 general obligation bond appropriations.

17 (8) State funding assistance in the construction of school
18 facilities for grade kindergarten through grade twelve and classrooms
19 planned for the exclusive use of students with disabilities shall be
20 based on a space allocation per enrolled student and shall be
21 provided as follows:

22 (a) For the fiscal year ending June 30, 2022:

23 (i) One hundred ten square feet maximum per student in
24 kindergarten through grade six;

25 (ii) One hundred seventeen square feet maximum per student in
26 grades seven and eight;

27 (iii) One hundred thirty square feet maximum per student in
28 grades nine through twelve; and

29 (iv) One hundred forty-four square feet maximum per student in
30 any grade for classrooms for students with developmental
31 disabilities;

32 (b) For the fiscal year ending June 30, 2023:

33 (i) One hundred twenty square feet maximum per student in
34 kindergarten through grade six;

35 (ii) One hundred seventeen square feet maximum per student in
36 grades seven and eight;

37 (iii) One hundred thirty square feet maximum per student in
38 grades nine through twelve; and

1 (iv) One hundred forty-four square feet maximum per student in
2 any grade for classrooms for students with developmental
3 disabilities; and

4 (c) For fiscal year ending June 30, 2024, and thereafter:

5 (i) One hundred thirty square feet maximum per student in
6 kindergarten through grade six;

7 (ii) One hundred thirty square feet maximum per student in grades
8 seven and eight;

9 (iii) One hundred forty square feet maximum per student in grades
10 nine through twelve; and

11 (iv) One hundred forty-six square feet maximum per student in any
12 grade for classrooms for students with developmental disabilities.

13 (9) Space allocations for state funding assistance purposes for
14 districts with fewer than four hundred students in kindergarten
15 through grade eight or fewer than four hundred students in senior or
16 four-year high schools shall be provided as follows:

<u>Number of Headcount</u>	<u>Maximum Space</u>
<u>Students—Grades</u>	<u>Allocation</u>
<u>Kindergarten – 8</u>	<u>Per Facility</u>
<u>1-200</u>	<u>42,000 square feet</u>
<u>201-300</u>	<u>48,000 square feet</u>
<u>301-399</u>	<u>52,000 square feet</u>

<u>Number of Headcount</u>	<u>Maximum Space</u>
<u>Students—Grades 9-12</u>	<u>Allocation</u>
	<u>Per Facility</u>
<u>1-200</u>	<u>42,000 square feet</u>
<u>201-300</u>	<u>48,000 square feet</u>
<u>301-399</u>	<u>52,000 square feet</u>

29 NEW SECTION. Sec. 3. (1) The office of the superintendent of
30 public instruction must develop a plan to implement further
31 improvements in funding school construction. The plan must build upon
32 improvements enacted in this act, and recommendations of the joint
33 legislative task force on improving state funding for school
34 construction established in section 7009, chapter 298, Laws of 2018.
35 The plan must be developed in consultation with the school facilities
36 technical advisory committee, and other technical experts. The plan

1 must be submitted to the governor and appropriate committees of the
2 legislature by June 30, 2022.

3 (2) The plan must include a program to preserve and renew school
4 facilities constructed or modernized and accepted as complete by
5 school boards of directors after January 1, 1994. The program must
6 include provisions for school districts to nominate school facilities
7 built and accepted before January 1, 1994, for eligibility for the
8 preservation and renewal program, provided the facility meets
9 specified criteria for inclusion in the program. The program is
10 intended to reduce the costs for school facility preservation and
11 renewal, compared to the existing modernization program for older
12 school facilities. School facilities that receive funding under the
13 preservation and renewal program are no longer eligible for
14 modernization funding unless the school facility has suffered
15 catastrophic loss from a natural or other disaster. The preservation
16 and renewal program is intended to replace or renew school facility
17 major building systems that have reached their expected life. The
18 plan must include definitions of major building systems and their
19 expected lives. The plan must: (a) Provide incentives to school
20 districts to provide effective building system preventative
21 maintenance programs; and (b) maximize long-term value from state and
22 local investment in school facilities.

23 (3) The plan must include:

24 (a) A projection of the amount of space and expected costs
25 necessary to meet the projected student enrollment growth over a ten-
26 year period;

27 (b) A projection of the cost to modernize school facilities built
28 before 1994 that are likely to require comprehensive modernization or
29 replacement over a ten-year period;

30 (c) A projection of the cost for the school facility preservation
31 and renewal program specified in subsection (2) of this section over
32 a ten-year period;

33 (d) A projection of the cost to modernize school facilities
34 eligible for small schools preservation funding under Substitute
35 Senate Bill No. 5572 (2019) over a ten-year period;

36 (e) A projection of required state funds based on the existing
37 financial assistance percentage for the projections in (a) through
38 (d) of this subsection. To the extent that the sum total of required
39 and necessary state funds exceeds the ten-year projection of common
40 school construction account revenue plus thirty-five percent of

1 projected state bond capacity, the plan must present options for
2 closing the shortfall.

3 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of
5 the state government and its existing public institutions, and takes
6 effect July 1, 2019.

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