

## Joint Legislative Task Force on School Construction Funding Recommendations Status Report • September 1, 2009

Recommendation <sup>i</sup>	Legislative Action During 2009 Session	Status of Implementation
<p>1 Recognize K-12 as the first priority for state capital construction funding. Recommend that during capital budget development, first consideration is given to K-12 capital needs within available resources.</p>	<p>The Legislature, in the capital budget, funded state contribution to all qualifying K-12 construction projects expected in the School Construction Assistance Program. Additionally, significant enhancements were made for grants supporting infrastructure improvements in energy efficiency, health and safety, and small repairs (from \$4 million in 2007-09 to \$20 million in 2009-11).</p>	<p>OSPI announced on 07/15/09 the release of the first \$150 million for 29 projects in the School Construction Assistance Program assisting \$431 million of local school district dollars OSPI announced on 8/13/09 Small Repair Grants to 39 districts for 47 projects. OSPI launched a new Energy Efficiency Improvements grant program.</p>
<p>2 Expand the list of activities such as painting, major equipment repair or other major preventative maintenance purposes, that may be funded with local six-year school district capital levy revenues.</p>	<p>2009 Legislature enacted this change with ESHB 1619 (Chapter 460, 2009 Laws), related to use of capital projects funds by school districts.</p>	<p>Effective date: 07/26/09</p>
<p>3 Consider sending a statewide-bond issue for K-12 school construction to the people for voter approval.</p>	<p>Task Force recommendation for future consideration. In addition, HB 2334, a referendum to the people that was not enacted, would have appropriated \$2 billion for the modernization and renovation of school facilities to address safety and health needs and to improve the energy efficiency of school facilities.</p>	<p>N/A</p>

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4 Consider short- or long-term expansion of the state debt limit by including near-general fund and other revenue sources.	Task Force recommendation for future consideration.  2009 Legislature enacted this change with ESSB 5073 (Chapter 479, 2009 Laws), related to consolidating accounts into the state general fund. SSB 5537 amended the 7 percent statutory debt limit to align it with the Constitutional debt limit of 9 percent.	Effective date: 07/01/09
5 Provide technical assistance and finance support for school districts' land acquisitions.	Capital budget bill ESHB 1216 (Chapter 497, 2009 Laws PV), Section 5012 (1) directs OSPI to "Develop a plan, in consultation with the department of natural resources, to assist schools in regularly communicating with the department of natural resources about options for school districts to acquire and lease state trust land;"	Pending, and a continuation of the 2009 OSPI and DNR of Land Banking study. <a href="http://cmsstage/documents/joint/k12scf/PotentialSchoolSites.pdf">http://cmsstage/documents/joint/k12scf/PotentialSchoolSites.pdf</a>
6 Extend the statutory limit for the expenditure of impact-fee revenues from six years to 10 years.	2009 Legislature enacted this change with SB 5580 (Chapter 263, 2009 Laws), related to the time limits of school impact fee expenditures.	Effective date: 07/26/09
7 Develop options for allowing state funding assistance for school districts' use of leasing and lease/purchase arrangements. State assistance will enable schools to use their current leasing authority to achieve greater flexibility and to more effectively meet short-term space needs.	During the 2009 session, legislators explored this option further and concluded the changes that could be effected via additional statutory amendment were of very limited value; further action is suspended.	N/A
8 Direct the Office of the Superintendent of Public Instruction (OSPI) to supply project-specific information for each School Construction Assistance Program project release. The report format will follow the template developed by Berk and Associates in	No action necessary; OSPI implemented with current administrative authority.	Implemented. Reports on projects available at OSPI website: <a href="http://www.k12.wa.us/ScHFacilities/ConstructionProjects/default.aspx">http://www.k12.wa.us/ScHFacilities/ConstructionProjects/default.aspx</a>

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9	<p>In part, it is expected this will be addressed with the re-assessment of the state area cost allowance and the average square-foot space needs, described below.</p>	Please see number 15 below.
10	<p>Capital budget bill ESHB 1216 (Chapter 497, 2009 Laws PV), Section 5012 (4) directs OSPI to "Convene a definitions work group on the joint use of public school facilities. The work group must report its findings and recommendations to the appropriate committees of the legislature by January 1, 2010."</p> <p>The product of this work group is expected to 1) provide legislators with clarity about the specific circumstances in which this recommendation can or should apply, 2) curtail potential unintended consequences of insufficiently-specific language in amending RCWs, and 3) guide development of potential legislation in the 2010 session.</p>	Creation of workgroup pending

11	Direct OSPI to continue to draft and implement policies for effective facility maintenance. The policies will ensure performance accountability; promote student health and safety; create an encouraging learning environment; and extend building life, thus minimizing future capital needs.	Capital budget bill ESHB 1216 (Chapter 497, 2009 Laws PV), Section 5012 (2) directs OSPI to "Continue to develop an asset preservation program;"	Asset preservation program now in Washington Administrative Code (WAC); detailed implementation with school districts will be ongoing.
12	Evaluate funding to implement the Board of Health's proposed rule revisions for school health and safety.	Legislators evaluated the decision packages for operating and capital assistance to school districts in implementing amended health and safety rules. The decision packages were not funded and the State Board of Health was directed to defer implementation of any new requirements until funding can be provided (Operating budget bill ESHB 1244, Section 222[1]). Capital funding for Health, Safety, and Small Repair Grants was increased to \$20 million to assist in safety and health infrastructure improvements, as well as energy operational cost savings which will help address needs meeting current health and safety rules.	<p>The State Board of Health will hold a hearing on August 12, 2009 in Senate Hearing Room 3 at 1:00 p.m. The school environmental health and safety rule will be coming up for a vote of the Board at that time.</p> <p>At its June 10 meeting, the Board endorsed a course of action to adopt the new rule but not implement them until, or if, specific funding is provided in the state budget to help local school districts with the cost of implementing.</p>
13	Re-authorize the Joint Legislative Task Force on School Construction Funding for one year to continue the study of potential future recommendations, to track and adjust alignment of recommendations to implementation plan, and to finalize any required changes to the school construction funding formula.	Capital budget bill ESHB 1216 (Chapter 497, 2009 Laws PV), Section 5017 re-authorizes the Task Force and specifies that the Task Force should not incur costs	Scheduling of meetings is underway.

14	Adopt Berk & Associates' recommendation to more accurately name formula components.	2009 Legislature enacted this change with SB 5980 (Chapter 129, 2009 Laws), related to school plant funding.	Effective date: 07/26/09 List of old and new terminology posted on OSPI website at: <a href="http://www.k12.wa.us/SchoolFacilities/Programs/SchoolConstructionProjects.aspx">http://www.k12.wa.us/SchoolFacilities/Programs/SchoolConstructionProjects.aspx</a>
15	Adopt Berk & Associates' recommendations to commission two studies: one to determine the appropriate level of the area-cost allowance (ACA) and establish a methodology to adjust the ACA over time; and a second to determine the average square-foot space needs, by grade span, to define the student-square-foot-space allowance.	Capital budget bill ESHB 1216 (Chapter 497, 2009 Laws PV), Section 5012 (3) directs OSPI to conduct this analysis.	OSPI will respond by the required date; however, the due date of September 1, 2009 will necessarily limit the depth of the analysis. Follow-up from September findings may be required prior to the development of the 2011-13 budget.
16	Evaluate for possible adoption the remainder of Berk & Associates' recommendations.	Task Force recommendation for future consideration.	NA
17	Review and consider relevant recommendations from other concurrent task forces, work groups, and sub-committees including – but not limited to – the Joint Basic Education Finance Task Force and the Interim Legislative Task Force on Comprehensive School Health Reform.	Task Force recommendation for future consideration.	Ongoing
18	Explore a method to account for regional cost differences in the funding formula.	Task Force recommendation for future consideration.	NA
19	Explore raising the current state-matching ratio used in the funding formula.	Task Force recommendation for future consideration.	NA

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<sup>1</sup> Recommendations are numbered for convenience referencing, and are not intended to convey priority.