

# **Joint Task Force on School Construction Funding**

## **Overview**

- Comprised of nine members (7 legislators, 2 school district representatives) to look comprehensively at school construction funding issues.
- Due to the complexity and enormity of the issues, the task force decided to divide their work into two interims (2007 & 2008). This also corresponded to the timeline of your work.
- The task force submitted recommendations from phase I of our effort along with related legislation in December of last year and will release their final recommendations in December of this year.

## **Summary of Phase I Recommendations**

- Required the Joint Legislative and Audit and Review Committee to conduct a feasibility study of a statewide school facility information system with a final report by January 1, 2010.
- Provided funding to establish a more robust regional program to assist school districts in school construction management and other kinds of technical assistance.
- Directed OSPI to explore options for making the current State School Construction Assistance formula more transparent in terms of the assumptions about what is actually funded, as well as information on state and local funding sources.
- Other items where action was taken include: (1) improving the method used for projecting student enrollment used in determining funding eligibility; (2) potentially changing when projects can be approved for funding to take better advantage of the seasonal nature of the construction bid environment; (3) conducting a feasibility analysis of using existing state lands or acquiring new land in high growth areas of the state for schools (aka land banking).

## **Summary of Phase II Approach**

*The task force has agreed that the blueprint for making and implementing recommendations coming out of phase II of their effort should include the following three components:*

- 1) **Connections Between K-12 Policy, Operating & Capital Budgets** - The connections between K-12 operating and capital needs to be recognized in all future recommendations of the two task forces and the budget decision making and implementation need to reflect this connection.
- 2) **Transparent & Honest** – Building on OSPI’s work from phase I, the current formula must be made more transparent in terms of the underlying assumptions and conveyed in more understandable terms. The recommendations and changes in the school construction funding formula must be reflective of what the state intends to fund.
- 3) **Recommendations Must Be Phased In** – Both the practical reality of implementing the kinds of changes being discussed and the resource constraints are going to necessitate that the recommendations be phased-in over several biennia.

### **Examples of Issues Being Considered**

1. Developing a competitive “safety net” program for school districts that are unable to access state assistance due to multiple bond levy failures, lack of property tax base such as low property tax valuation or large tax exempt properties and/or small district size.
2. Developing a new competitive grant program, or modify the existing “Small Repair Program” to address the fiscal impact of the health and safety rule changes proposed by the State Board of Health.
3. Developing a competitive grant program for all-day kindergarten programs.

4. Increasing the square foot allocation and/or area cost allowance to account for specialized program spaces or unique building circumstances. For example: science labs, early learning facilities, and preservation of historic school buildings.
5. More significant spending enhancements being considered include: (1) creating a new adjustment factor for reflecting regional construction cost differences; (2) funding school districts' land acquisitions; and (3) simply increasing the amount of funding or space standards recognized in the funding formula.
6. To fund these enhancements, the task force is looking at dedicating more existing capital budget funding, increasing "sin taxes" or other dedicated revenues, and/or proposing a statewide bond issue for K-12 school construction.

# Examples of Connections Between The Two Task Forces

## Key Policy Questions for Both Task Forces

- *How are we going to pay for the recommendations?*
- *What is the appropriate balance between state and local control in the funding system?*
- *What will the phase-in look like?*
- *What are the lines in the definition of "basic education"?*

## **Topics Under Consideration By The Joint Task Force on Basic Education Finance**

### **Topics with direct capital facility implications**

- Class size
- Capital facilities/student outcomes
- All day kindergarten
- Health and safety requirements
- Career and technical education
- Early learning
- School day length

### **Other topics**

- Graduate degrees
- Experience
- In-subject degrees
- Comparable wages
- Regional cost-of-living adjustments
- Differential pay for high-demand skills
- Pay for performance, knowledge, and skills
- Salary versus per-pupil allocation models
- Professional development
- School year length
- Summer school
- Extra funding for low-income students
- Non-employee related costs