



Special Edition:

Senate Releases 2019–21 Capital Construction Budget Proposal

Following the House’s initiation of the legislative budget process on Monday—with the release of three separate budget proposals—the Senate began a roll-out of its budget proposals. Senate budget-writers started with the unveiling of a 2019–21 Transportation Budget on Tuesday (earlier in the session, the Senate also released a separate \$15 billion 2019 “new law” Transportation Budget, along with a revenue package). Yesterday, Senate budget-writers released their 2019–21 Capital Construction Budget proposal—which will be the focus of this Special Edition of *TWIO*. The Senate’s 2019–21 Operating Budget is scheduled to be released tomorrow.

Below, we describe the Senate’s 2019–21 Capital Construction Budget proposal. For details regarding the House capital plan, see WASA’s [Special Edition of *TWIO* \(March 26\)](#).

The Senate’s 2019–21 Capital Construction Budget, introduced as a Proposed Substitute of [SB 5134](#), would appropriate a total of \$5.1 billion—compared to \$4.6 billion in the House’s plan. Like the House’s proposal, \$3 billion of the total appropriation would be provided in General Obligation (GO) bonds (Proposed Substitute [SB 5133](#) would authorize \$3.5 billion in General Obligation bonds). An additional \$1.9 billion would be appropriated from other funding and \$194 million would be authorized in alternative financing. \$121 million in bond capacity would be reserved for a Supplemental Capital Budget.

Under the Senate’s proposal, K–12 Education would be provided with a total appropriation of \$1.1 billion, with \$1.02 billion going to the School Construction Assistance Program (SCAP). \$884 million of the appropriation would be funded by General Obligation bonds and \$136 million would come from the Common School Construction Account (CSCA). In comparison, the House budget would provide a similar total of \$1.1 billion to K–12 Education; however, the funding for SCAP would be slightly more—a total of \$1.04 billion (\$893 in GO bonds and \$149 from the CSCA).

Key highlights of the K–12 Education portion of the budget are detailed below. Full budget details, including a Summary and the actual budget and bond bills are available from the [Washington State Fiscal Information website](#).

K–12 Education Details

School Construction Assistance Program – \$1.02 billion

As noted above, \$1.02 billion is provided for the School Construction Assistance Program (SCAP). Proviso language in the House budget requiring a portion of this SCAP funding to be used for study and survey grants and for completing inventory and building condition assessments for public school districts is not included in the Senate proposal.

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This Week in Olympia is emailed to active WASA and AEA members each Friday during the Legislative Session and is posted on WASA’s website at www.wasa-oly.org/TWIO.

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SCAP Enhancement – \$23.0 million

The Senate budget provides funding to implement [SB 5853](#), as amended. In its current form, the Student Space Allocation (SSA or square-foot-per-student) would be increased, beginning in the 2021–23 biennium. Funding in the Capital Budget would provide funding to: increase the minimum Funding Assistance Percentage (FAP) from the current 20 percent to 30 percent; and provide an additional five percent to the minimum FAP for schools listed on historic registers.

Small District Modernization Grants – \$23.0 million

The Senate budget provides funding to implement [SB 5572](#), which would establish a Small School District Modernization Grant program for school districts and state/tribal compact schools that have 1,000 or fewer enrolled students.

Skills Centers – \$7.6 million

The Senate Capital Budget provides funding (\$7.6 million) for: minor works projects at Skills Centers across the state (\$4.0 million); modernization of the West Sound Technical Skills Center (\$3.5 million); and modernization of the Evergreen Building at the Pierce County Skills Center (\$146,000).

STEM Grants – \$6.0 million

The Senate budget provides funding for a grant to the Laser Interferometer Gravitational-Wave Observatory (LIGO) STEM Observatory in Richland, Washington.

Career Preparation and Launch Equipment Grants – \$5.0 million

Funding is appropriated to OSPI to provide competitive grants to school districts to purchase and install Career and Technical Education equipment that expands career-connected learning opportunities. The House provides \$1.0 million for these grants.

The Senate budget includes similar, but different, provisos included in the House plan. Language requires OSPI to develop criteria for providing competitive grant funding and outcomes for specific projects.

Additional language stipulates that no single district may receive more than one grant and it may not exceed \$300,000. The House's individual grant limit is \$100,000.

Capital Projects Program Administration – \$4.1 million

OSPI is provided with funding for the administration of the Capital Projects Program. The House proposal includes proviso language requiring OSPI to automate the SCAP grant application process; the Senate plan does not add any proviso language to this funding.

School District Health and Safety – \$4.0 million

The Senate budget provides \$4.0 million for school district health and safety programs, but provides no proviso language or description of the specific uses of the funds. The House provides \$6.0 million for health and safety programs, divided into three specifically defined grant programs: Emergency Repair Grants (\$2.0 million), Urgent Repair Grants (\$3.0 million), and Equal Access Grants (\$1.0 million).

Healthy Kids/Healthy Schools – \$3.0 million

Funding is provided for health-related program grants. The House provided \$3.3 million—but included additional grant opportunities not included in the Senate proposal. For example, the Senate excludes House language that provides specific grant funding for Washington Green Schools that would be used to engage students and be completed in conjunction with K–12 STEM education curriculum developed to meet next generation climate standards.

OSPI, after consulting with maintenance and operations administrators of school districts and the Department of Health, must develop or use its previously developed criteria

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for providing funding for specific projects that are consistent with the Healthiest Next Generation priorities. The criteria must include, but are not limited to, the following:

1. Districts or schools may apply for grants but no single district may receive more than \$200,000 of the appropriation;
2. Any district receiving funding provided in this section must demonstrate a consistent commitment to addressing school facilities' needs; and
3. Applicants with a high percentage of students who are eligible and enrolled in the Free and Reduced-Price Meals program must be prioritized.

The appropriation may also be used:

1. For water bottle filling stations, which may include replacement of lead-contaminated drinking water fixtures;
2. To purchase equipment or make repairs related to improving children's physical health which may include, but is not limited to: fitness playground equipment, covered play areas, and physical education equipment or related structures or renovation; and
3. To purchase equipment or make repairs related to improving children's nutrition which may include, but is not limited to: garden-related structures and greenhouses to provide students access to fresh produce, and kitchen equipment or upgrades.

Agricultural Science in Schools Grant – \$1.8 million

Funding is provided to the FFA Foundation for Agricultural Science in Schools Grants.

Study and Survey Funding – \$1.0 million

The Senate budget provides enhanced funding for a study and survey of Natural Hazards Assessments.

Additional Details

Early Learning Facilities. \$4.2 million is provided, via the Department of Commerce, to school districts to assist with early learning facility projects. The funding is divided as follows:

- Toppenish School District—\$111,000
- Manson School District—\$400,000
- Kettle Falls School District—\$395,000
- North Thurston School District—\$323,700
- Ellensburg School District—\$800,000
- Everett School District—\$800,000
- Tukwila School District—\$196,200
- Richland School District—\$800,000
- Lake Quinalt School District—\$360,000

The Senate budget provides the same funding for the same projects as the House plan; the Senate includes different provisos. Language in the Senate budget requires the Department of Commerce to assist the Department of Children, Youth, and Families to develop a methodology to identify, at the school district level, the geographic locations of where Early Childhood Education and Assistance Program slots are needed to meet the entitlement specified in law. The methodology must be linked to the caseload forecast produced by the Caseload Forecast Council and must include estimates of the number of slots needed at each school district and the corresponding facility needs required to meet the entitlement in accordance with law.

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When prioritizing areas with the highest unmet need for Early Childhood Education and Assistance Program slots, the Department of Commerce must first consider those areas at risk of not meeting the entitlement in law. Additional language requires the Department of Commerce to track the number of slots being renovated separately from the number of slots being constructed and, within these categories, must track the number of slots separately by program for the Working Connections Child Care Program and the Early Childhood Education and Assistance Program.

School Seismic Safety Assessments. \$1.2 million is provided to the Department of Natural Resources to conduct seismic risk assessments of school districts and other facilities. No additional proviso language is included.

The House plan provided \$2.2 million for this purpose—and included specific requirements for the Department of Natural Resources, the Office of Emergency Management, OSPI, and the State Board of Education, along with additional proviso language regarding the seismic safety surveys.

Energy Efficiency and Solar Grants Program. \$5.0 million in Fiscal Year 2020 and another \$5.0 million in Fiscal Year 2021 is provided to the Department of Commerce for grants to be awarded in competitive rounds to local agencies, public higher education institutions, school districts, and state agencies for operational cost savings improvements to facilities and related projects that result in energy and operational cost savings. For school district applicants, priority consideration must be given to school districts that demonstrate improved health and safety through:

1. Reduced exposure to polychlorinated biphenyl; or
2. Replacing outdated heating systems that use oil or propane as fuel sources as identified by the Washington State University Extension Energy Program.

An additional \$10.0 million is provided for grants to be awarded in competitive rounds to local agencies, public higher education institutions, school districts, and state agencies for projects that involve the purchase and installation of solar energy systems, including solar modules and inverters, with a preference for products manufactured in Washington.

The House plan includes: \$2.5 million in each Fiscal Year, 2020 and 2021, for energy saving grants; and \$5.0 million for solar energy grants.

Local and Community Projects. The Department of Commerce is provided with \$97.2 million for a series of community projects, including one school district project:

- Chief Leschi Schools Safety & Security—\$250,000

The House plan provided funding, via the Department of Commerce, for three additional school district projects.

