

## Health and Safety Rule OSPI Revised Budget Impacts

December 2008

Through an extensive stakeholder process, the State Board of Health has proposed revisions to the health and safety rules for primary and secondary schools in Chapter 246-366 WAC. The revised rules are proposed to take effect September 2010 and will strengthen the existing provisions as well as add new protections through added construction, maintenance and reporting requirements. The Department of Health (DOH), in their *Preliminary Significant Analysis*, has provided cost information for three categories: construction, start-up, and ongoing maintenance and operations. The Office of the Superintendent of Public Instruction (OSPI) has responded by incorporating funding for these costs into their 2009-11 Operating and Capital Budget Proposals.

### **2009-11 Capital Budget**

#### **Start-up**

Original Request - \$30,125,000

**Revised Request - \$18,125,000**

- OSPI is recommending a Health and Safety Grant Program in response to the proposed State Board of Health rule change.
  - The program is based on costs expected to average \$15,000 per school for repairs to help school districts prepare for the State Board of Health rule change.
  - OSPI budget request is based on providing 600 grants per fiscal year over a three year period.
  - The exact parameters of this program have yet to be determined, but OSPI hopes to model the program after the Small Repair Grant Program.
  
- Since OSPI first submitted their budget request, a lower cost estimate from DOH has been proposed. The original estimated start-up costs of \$25,000 per school were determined based on the assumption laminators in general produced air contaminates requiring the need to ventilate all laminators. Further investigation has revealed there are many types of laminators: heat, cold, pressure, etc. Heat laminators are the only type which generates a concern for air contaminates of public health importance. Since the frequency of use of heat laminators has been found to be infrequent, the heat laminators have been reclassified within the Health and Safety rule revision reducing the need for additional HVAC ventilation over each laminator. *The removal of this requirement has reduced the start up cost per school by \$10,000.*
  
- At this time, the extent of the need by schools and the scope of the projects are unknown; creating uncertainty about exactly how much state money is needed. Additional funding may be needed in the next biennium in order to fully respond to this rule change.

## New Construction

Request - \$0

- OSPI administers the School Construction Assistance Grant Program (SCAGP) to provide state assistance for school facility planning, construction and renovation. State assistance is based, in part on district specific matching ratios, with the goal to equalize the local burden of financing school facilities.
- No increases were proposed in the current budget request since the rules are not expected to take effect until September 2010, after OSPI's final release of construction grants in the 2009-11 biennium . OSPI will request a \$10.93 enhancement to the SCAGP Area Cost Allowance in the 2011-2013 capital budget request. The enhancement, as shown in the ten year plan, includes the local and state share of the cost increases as an affect of the rule change.

*Note:* Not all school construction projects request state assistance through the SCAGP. Some school districts fully finance their projects at the local level. The impact to the construction costs to these districts is not known at this point.

## 2009-11 Operating Budget

### On-going Maintenance and Operations

Original Request - \$13,838,182

**Revised Request - \$14,183,000**

- Since OSPI's initial request, a correction to the *Preliminary Significant Analysis* annual costs for Senior High Schools has increased slightly to \$9,686 per school or from \$5.88 to \$6.84 per student. Annual costs for the other grade spans remain unchanged.
- OSPI is requesting funding to cover expenses associated with on-going activities to comply with the rules and to cover inspection costs by the local health jurisdiction.
- A decision has not yet been finalized as to whether these allocated funds will be rolled up into the non-employee related costs (NERC) or with a separate line item. Regardless of which method is used, OSPI will require school districts to track expenditures for health and safety separately.