Appropriations Committee

HB 2192

Brief Description: Providing funds to restore public school art programs.

Sponsors: Representatives Kenney, Hankins, Morrell, Skinner, Hasegawa, Pettigrew, P. Sullivan, McIntire, Pedersen, Ormsby, Santos, Upthegrove, Hudgins, McDermott, Sells, Lantz, Appleton, Kessler, Moeller, Kagi, Conway, Wood, Roberts and Simpson.

Brief Summary of Bill

- Directs that lottery proceeds currently dedicated to paying off bonds for the construction of Safeco baseball field be dedicated to the school art program restoration account after the Safeco bonds have been retired.
- Directs the Washington State Arts Commission and the Office of the Superintendent of Public Instruction to develop an annual competitive grant process to support art programs in public schools.
- Creates the school art program restoration account in the state treasury.

Hearing Date: 2/20/07

Staff: Ben Rarick (786-7349).

Background:

When the state lottery was originally established in 1982, the Legislature deposited the net lottery revenues into the state general fund. In 1995 and 1997, the legislature dedicated a portion of net lottery proceeds to pay off bonds issued to construct sports stadiums in Seattle. The portion of lottery revenue dedicated to the debt service on the bonds for the Safeco Field baseball stadium grows at four percent per year, and is estimated to total \$9.6 million in the 2007-09 fiscal biennium.

As a result of the passage of Initiative 728 in 2000, all other net lottery revenues were dedicated for educational purposes. For fiscal years 2001-2004, remaining net lottery revenues were divided

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between the Student Achievement Fund and the Education Construction Fund. Since fiscal year 2005, all net lottery revenues not otherwise dedicated have been deposited into the Education Construction Fund.

The lottery distribution for the Safeco Field bonds ceases on the earlier of bond retirement or twenty years after imposition of the local sales tax for the stadium. Based on current forecasts, the Safeco Field bonds will be paid off early. The current payoff date is projected to occur during the 2011 fiscal year. After the retirement of the Safeco Field bonds, this portion of net lottery revenue will be deposited in the Education Construction Fund

The Washington State Arts Commission (WSAC) is the state agency established in 1961 to support the arts as essential to the state's social, educational and economic growth, and to contribute to Washington's quality of life and the well being of its citizens. The WSAC is governed by a board of four legislators and 19 governor-appointed citizens. Included in its strategic plan is the goal to "improve teaching and learning by supporting and promoting sustainable arts-based curricula and programs in K-12 public schools."

Summary of Bill:

When lottery revenues cease to be distributed for debt service on the baseball stadium bonds, that portion of lottery revenues will be deposited in the School Art Restoration Program Account, which is created in the state Treasury.

Beginning with the 2012-13 school year, the WSAC, in consultation with the Office of the Superintendent of Public Instruction, shall establish an annual competitive grant process to restore art programs in public schools.

Cities, counties, art organizations, and school districts would be able to apply to the WSAC for grants, but the application process shall encourage collaboration among the various entities. To the maximum extent possible, the grants awarded shall be administered using existing local city and county art organizations. To the maximum extent possible, the competitive grant amounts awarded must reflect the distribution of the lottery revenues generated from RCW 67.70.240(6).

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.