SENATE BILL REPORT SB 6065

As Reported By Senate Committee On: Early Learning & K-12 Education, February 28, 2007

Title: An act relating to providing school funding to restore public school art programs, support education construction, and promote world language programs.

Brief Description: Providing school funding for various programs.

Sponsors: Senators Kline, Kohl-Welles, Murray, Marr, Franklin, McAuliffe and Sheldon.

Brief History:

Committee Activity: Early Learning & K-12 Education: 2/26/07, 2/28/07 [DPS-WM, DNP, w/oRec].

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 6065 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators McAuliffe, Chair; Tom, Vice Chair; Clements, Eide, Oemig, Rasmussen and Weinstein.

Minority Report: Do not pass.

Signed by Senators Holmquist, Ranking Minority Member; Brandland, Hewitt and Zarelli.

Minority Report: That it be referred without recommendation.

Signed by Senator Hobbs.

Staff: Susan Mielke (786-7422)

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 4 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 between the Student Achievement Fund and the Education

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Construction Fund. Since fiscal year 2005, all net lottery revenues 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 20 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 this 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 services 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, must 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 must encourage collaboration among the various entities. To the maximum extent possible, the grants awarded must 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).

EFFECT OF CHANGES MADE BY RECOMMENDED SUBSTITUTE AS PASSED COMMITTEE (Early Learning & K-12 Education): After the baseball stadium debt is paid off, the distribution of lottery proceeds previously used to pay off the debt will instead be divided 50 percent to the Education Construction Account, 25 percent to restore public school art programs, and 25 percent for World Language programs in schools.

Beginning in 2012, funding will be provided for annual competitive grants for which public schools may apply to be used to restore art programs in the schools. School districts are encouraged to collaborate with cities, counties, and art organizations to maximize the effectiveness of the programs.

Additionally, beginning in 2012, each school district will receive an allocation to provide world language instruction programs to develop second language acquisition skills. The funds are for the creation and expansion of high quality world language instruction programs for all K-12 students of a district. Districts must report on the impact of the allocation on second language acquisition skills, language proficiency, and student achievement.

Appropriation: None.

Fiscal Note: Requested on February 26, 2007.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This is about reserving some funds from the lottery for a function portion of our education system that seems to have been forgotten as a result of under-funding: the arts. Unfortunately, some people may think that the arts are not as important as the three Rs, but they are. So much of the funds provided are for other purposes. This bill would let districts who want to access funds for the arts have an efficient way to get the money. The grant process should include the local arts organizations and the arts community to develop partnerships.

Persons Testifying: PRO: Senator Kline, prime sponsor; Kris Tucker, Washington State Arts Commission; Gretchen Johnston, Washington State Arts Alliance; Corri Campbell, Arts Education Washington; Sibyl Barnum, Puget Sound Educational Service District, Arts Impact; Kyra Kester, OSPI.