H-0430.2			

## HOUSE BILL 1617

State of Washington 60th Legislature 2007 Regular Session

By Representatives Anderson, Priest and Orcutt

Read first time 01/24/2007. Referred to Committee on Finance.

- 1 AN ACT Relating to restoring full funding for the student
- 2 achievement fund from the state property tax; amending RCW 28A.505.220,
- 3 83.100.230, and 84.52.068; creating a new section; and providing an
- 4 effective date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that the people of
- 7 Washington state intended through their approval of Initiative Measure
- 8 No. 728 to provide a stable funding source for the student achievement
- 9 fund through an allocation of the state property tax. The substitution
- 10 of funding from the education legacy trust fund breaks faith with the
- 11 people of the state and should be reversed so that state property tax
- 12 dollars are allocated to the support of local schools just as local
- 13 property tax dollars are.
- 14 Sec. 2. RCW 28A.505.220 and 2005 c 514 s 1103 are each amended to
- 15 read as follows:
- 16 (1) Total distributions from the student achievement fund to each
- 17 school district shall be based upon the average number of full-time

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equivalent students in the school district during the previous school year as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

- (2) The allocation rate per full-time equivalent student shall be ((three hundred dollars in the 2005-06 school year, three hundred seventy-five dollars in the 2006-07 school year, and)) four hundred fifty dollars in the 2007-08 school year. For each subsequent school year, the amount allocated per full-time equivalent student shall be adjusted for inflation as defined in ((RCW 43.135.025(8))) this section. These allocations per full-time equivalent student from the student achievement fund shall be supported from ((the following sources:
- 13 (a))) distributions from state property tax proceeds deposited into the student achievement fund under RCW 84.52.068((; and
- 15 (b) Distributions from the education legacy trust account created 16 in RCW 83.100.230)).
  - (3) Any funds deposited in the student achievement fund under RCW 43.135.045 shall be allocated to school districts on a one-time basis using a rate per full-time equivalent student. These funds are provided in addition to any amounts allocated in subsection (2) of this section.
- 22 (4) The school district annual amounts as defined in subsection (2) 23 of this section shall be distributed on the monthly apportionment 24 schedule as defined in RCW 28A.510.250.
- 25 (5) "Inflation" means the percentage change in the implicit price 26 deflator for the United States for each fiscal year as published by the 27 federal bureau of labor statistics.
- 28 **Sec. 3.** RCW 83.100.230 and 2005 c 514 s 1101 are each amended to read as follows:

The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for ((deposit into the

- 33 student achievement fund and for)) expanding access to higher education
- 34 through funding for new enrollments and financial aid(( )) and other
- 35 educational improvement efforts.

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**Sec. 4.** RCW 84.52.068 and 2005 c 514 s 1104 are each amended to read as follows:

- (1) A portion of the proceeds of the state property tax levy shall be deposited into the student achievement fund as provided in this section.
- (2)(a) The amount of the deposit shall be based upon the average number of full-time equivalent students in the school districts during the previous school year as reported to the office of the superintendent of public instruction by August 31st of the previous school year.
- (b) For the ((2004-2005 through 2007-2008 school years, an annual amount equal to two hundred fifty four dollars per full time equivalent student in all school districts shall be deposited in the student achievement fund.
- (c) For the 2008-2009 school year, an annual amount equal to two hundred sixty five dollars per full time equivalent student in all school districts shall be deposited in the student achievement fund.
- (d) For the 2009-2010)) 2007-08 school year, an annual amount equal to ((two hundred seventy seven)) four hundred fifty dollars per full-time equivalent student in all school districts shall be deposited in the student achievement fund.
- (((e) For the 2010-2011 school year and each year thereafter, an annual amount equal to two hundred seventy-eight dollars per full-time equivalent student in all school districts shall be deposited in the student achievement fund.
- (f)) (c) Each subsequent year following the 2007-08 school year, the amount deposited shall be adjusted for inflation as defined in RCW 28A.505.220.
- (d) The school district annual amounts shall be deposited based on the monthly apportionment schedule as defined in RCW 28A.510.250. The office of the superintendent of public instruction shall notify the department of the monthly amounts to be deposited into the student achievement fund to meet the apportionment schedule.
- 34 <u>NEW SECTION.</u> **Sec. 5.** This act takes effect September 1, 2007.

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