(AS OF HOUSE 2ND READING 3/28/2007)

Finds that the existing school district budget review system focuses on current school year budget implementation and preparation of the ensuing school year budget and does not provide a systematic look of longer-range budget issues, including any indication of impending financial problems in districts. students, Parents, taxpayers, need a financial and school administrators employees, monitoring system that considers long-term budgeting issues and commitments, and provides early warning of school district financial health concerns. Once financial concerns and issues are identified, districts should receive early, practical assistance.

Requires the office of financial management to develop and implement a school district financial health and monitoring system, with input and collaboration from the legislative evaluation and accountability program committee and the office of the superintendent of public instruction.

Requires the office of financial management to present proposed system measures and a financial health outlook rating system to the governor and the legislature by November 1, 2007. The legislative evaluation and accountability program committee shall make recommendations to the legislature for modifications to the measures and systems, if necessary. Unless the legislature takes action during the 2008 legislative session to change the measures and the rating system, the financial health and monitoring system shall be implemented during the 2008-09 school year.

Requires the office of financial management to submit a report summarizing the review and reporting recommendations in this act to the governor, the legislative evaluation and accountability program committee, and the education and fiscal committees of the legislature by November 15, 2007.

Directs the office of the superintendent of public instruction to convene work group composed а representatives of school districts of varying sizes geographic locations, educational service districts, the Washington school information processing cooperative, and at least one additional school information system vendor. The work group shall develop an implementation plan for consistent coding of secondary courses in subjects other than mathematics that is based on the national classification system. The work group shall present the plan to the fiscal committees of the legislature by September 1, 2008.