

# FINAL BILL REPORT

## SHB 2356

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**C 541 L 09**  
Synopsis as Enacted

**Brief Description:** Revising student achievement fund allocations.

**Sponsors:** House Committee on Ways & Means (originally sponsored by Representative Haigh).

**House Committee on Ways & Means**  
**Senate Committee on Ways & Means**

**Background:**

Initiative 728 (I-728), approved by the voters in November 2000, created the Student Achievement Fund and dedicated certain state revenues to support various school reform activities in public schools.

The allowable uses for I-728 funding include:

- reductions in K-4 class size;
- selected class size reduction in grades 5-12;
- extended learning opportunities for students;
- investments in educators and their professional development;
- early assistance for children who need pre-kindergarten support; and
- providing improvement or additions to facilities to support class size reductions and extended learning opportunities.

The funding sources for the Student Achievement Fund have been modified several times by the Legislature. Beginning in 2001, portions of state property tax and state lottery revenues were dedicated to the Student Achievement Fund. Beginning in 2004, I-728 directed that the state property tax contribution to the Student Achievement Fund was to increase to \$450 per student FTE (full-time equivalent) and that lottery revenues would be deposited to the School Construction Fund. The 2003 Legislature revised the property tax per student contributed to the Student Achievement Fund to \$254 for 2004, \$300 for 2005, \$375 for 2006, \$450 for 2007, and an amount adjusted annually for inflation thereafter. By law, \$278 of the per pupil allocations must be supported with state property tax revenues, with the remainder supported by the Education Legacy Trust Account, which is supported by cigarette taxes and the estate tax.

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*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.*

Each year, school districts must submit a plan to the Office of Superintendent of Public Instruction outlining plans for the expenditure of I-728 revenues. Additionally, before May 1, school boards must hold a public hearing on the proposed use of the new money. During the 2007-08 school year, about 52 percent of the funding was used for class size reduction, about 20 percent was used for professional development, about 10 percent was used for extended learning programs, and the remainder was used for a variety of initiatives such as early childhood programs and facilities improvements.

Allocations to school districts from the Student Achievement Fund are estimated at \$868 million for the 2009-11 biennium, and are allocated at a rate of approximately \$458 per student FTE for the 2008-09 school year.

**Summary:**

Per-student allocation rates for the Student Achievement Fund are specified in the State Omnibus Appropriations Act, rather than specifically identified in statute, beginning in the 2009-10 school year.

**Votes on Final Passage:**

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|--------|----|----|
| House  | 50 | 47 |
| Senate | 28 | 20 |

**Effective:** July 1, 2009