
HOUSE BILL 2824

State of Washington 62nd Legislature 2012 1st Special Session

By Representatives Eddy and Hunter

Read first time 04/03/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to addressing comprehensive funding for education
2 by developing a plan for full funding and by freeing certain existing
3 revenues for support of the basic education program; amending RCW
4 28A.600.405, 43.135.045, 67.70.340, and 83.100.230; reenacting and
5 amending RCW 28A.150.380; repealing RCW 28A.505.210 and 28A.505.220;
6 and creating new sections.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** (1) Legislation enacted in 2009 (chapter
9 548, Laws of 2009) and in 2010 (chapter 236, Laws of 2010) revised the
10 definition of the program of basic education, established new methods
11 for distributing state funds to school districts to support this
12 program of basic education, and provided an outline of specific
13 enhancements to the program of basic education that are required to be
14 implemented by 2018. In order to meet the required deadlines to
15 implement full funding of the enhancements, the joint task force in
16 section 2 of this act is created to develop and recommend options for
17 a permanent funding mechanism.

18 (2) Initiative Measure No. 728 (chapter 3, Laws of 2001) dedicated
19 a portion of state revenues to fund class size reductions and other

1 education improvements. Because class size reductions and similar
2 improvements are incorporated in the reforms that were enacted in
3 chapter 548, Laws of 2009, and chapter 236, Laws of 2010, and that are
4 being incrementally implemented through 2018, Initiative Measure No.
5 728 is repealed in order to make these dedicated revenues available for
6 implementation of basic education reform and to facilitate the funding
7 reform recommendations of the joint task force in section 2 of this
8 act.

9 NEW SECTION. **Sec. 2.** (1) The joint task force on education
10 funding is established. The task force shall make recommendations on
11 how the legislature can meet the requirements outlined in chapter 548,
12 Laws of 2009 and chapter 236, Laws of 2010. In particular, the task
13 force shall develop a proposal for a reliable and dependable funding
14 mechanism to support basic education programs. At a minimum, the
15 proposed funding mechanism must support full implementation of the
16 programmatic enhancements required in chapter 548, Laws of 2009, and
17 chapter 236, Laws of 2010, including full-day kindergarten; reduced K-3
18 class size; increased allocations for maintenance, supplies, and
19 operating costs; and a new pupil transportation formula.

20 (2)(a) The joint task force on education funding shall consist of
21 the following members:

22 (i) Eight legislators, with two members from each of the two
23 largest caucuses of the senate appointed by the president of the senate
24 and two members from each of the two largest caucuses of the house of
25 representatives appointed by the speaker of the house of
26 representatives; and

27 (ii) Three individuals, to be appointed by the governor.

28 (b) The task force may recommend multiple options, but shall
29 recommend one preferred alternative, including an outline of necessary
30 implementing legislation. Should the task force recommend an option to
31 fully fund the program of basic education with no new revenues, the
32 task force must identify what areas already in the budget would be
33 eliminated or reduced.

34 (c) The task force shall be staffed by the house of representatives
35 office of program research, senate committee services, and the office
36 of financial management, with assistance from the Washington state
37 institute for public policy and other agencies as necessary.

1 (3) The task force shall submit a final report to the legislature
2 by December 31, 2012.

3 **Sec. 3.** RCW 28A.150.380 and 2009 c 548 s 110 and 2009 c 479 s 16
4 are each reenacted and amended to read as follows:

5 (1) The state legislature shall, at each regular session in an odd-
6 numbered year, appropriate for the current use of the common schools
7 such amounts as needed for state support to school districts during the
8 ensuing biennium for the program of basic education under RCW
9 28A.150.200.

10 (2) In addition to those state funds provided to school districts
11 for basic education, the legislature may appropriate funds to be
12 distributed to school districts for other factors and for other special
13 programs to enhance or enrich the program of basic education.

14 ~~((3) The state legislature shall also, at each regular session in
15 an odd-numbered year, appropriate from the general fund and education
16 construction fund for the purposes of and in accordance with the
17 provisions of the student achievement act during the ensuing
18 biennium.))~~

19 **Sec. 4.** RCW 28A.600.405 and 2007 c 355 s 4 are each amended to
20 read as follows:

21 (1) For purposes of this section and RCW 28B.50.534, "eligible
22 student" means a student who has completed all state and local high
23 school graduation requirements except the certificate of academic
24 achievement under RCW 28A.655.061 or the certificate of individual
25 achievement under RCW 28A.155.045, who is less than age twenty-one as
26 of September 1st of the academic year the student enrolls at a
27 community and technical college under this section, and who meets the
28 following criteria:

29 (a) Receives a level 2 (basic) score on the reading and writing
30 content areas of the high school (~~Washington assessment of student
31 learning~~) statewide student assessment;

32 (b) Has not successfully met state standards on a retake of the
33 assessment or an alternative assessment;

34 (c) Has participated in assessment remediation; and

35 (d) Receives a recommendation to enroll in courses or a program of

1 study made available under RCW 28B.50.534 from his or her high school
2 principal.

3 (2) An eligible student may enroll in courses or a program of study
4 made available by a community or technical college participating in the
5 pilot program created under RCW 28B.50.534 for the purpose of obtaining
6 a high school diploma.

7 (3) For eligible students in courses or programs delivered directly
8 by the community or technical college participating in the pilot
9 program under RCW 28B.50.534 and only for enrollment in courses that
10 lead to a high school diploma, the superintendent of public instruction
11 shall transmit to the colleges participating in the pilot program an
12 amount per each full-time equivalent college student at statewide
13 uniform rates. The amount shall be the sum of (a), (b), and (c) (~~, and~~
14 ~~(d)~~) of this subsection, as applicable.

15 (a) The superintendent shall separately calculate and allocate
16 moneys appropriated for basic education under RCW 28A.150.260 for
17 purposes of making payments under this section. The calculations and
18 allocations shall be based upon the estimated statewide annual average
19 per full-time equivalent high school student allocations under RCW
20 28A.150.260, excluding small high school enhancements, and applicable
21 rules adopted under chapter 34.05 RCW.

22 (b) The superintendent shall allocate an amount equal to the per
23 funded student state allocation for the learning assistance program
24 under chapter 28A.165 RCW for each full-time equivalent college student
25 or a pro rata amount for less than full-time enrollment.

26 ~~(c) ((The superintendent shall allocate an amount equal to the per~~
27 ~~full-time equivalent student allocation for the student achievement~~
28 ~~program under RCW 28A.505.210 for each full-time equivalent college~~
29 ~~student or a pro rata amount for less than full-time enrollment.~~

30 ~~(d))~~ For eligible students who meet eligibility criteria for the
31 state transitional bilingual instruction program under chapter 28A.180
32 RCW, the superintendent shall allocate an amount equal to the per
33 student state allocation for the transitional bilingual instruction
34 program or a pro rata amount for less than full-time enrollment.

35 (4) The superintendent may adopt rules establishing enrollment
36 reporting, recordkeeping, and accounting requirements necessary to
37 ensure accountability for the use of basic education, learning

1 assistance, and transitional bilingual program funds under this section
2 for the pilot program created under RCW 28B.50.534.

3 (5) All school districts in the geographic area of the two
4 community and technical colleges selected pursuant to section 8,
5 chapter 355, Laws of 2007 to participate in the pilot program shall
6 provide information about the high school completion option under RCW
7 28B.50.534 to students in grades ten, eleven, and twelve and the
8 parents or guardians of those students.

9 **Sec. 5.** RCW 43.135.045 and 2011 1st sp.s. c 50 s 950 are each
10 amended to read as follows:

11 The education construction fund is hereby created in the state
12 treasury.

13 (1) Funds may be appropriated from the education construction fund
14 exclusively for common school construction or higher education
15 construction. During the 2007-2009 fiscal biennium, funds may also be
16 used for higher education facilities preservation and maintenance.
17 During the 2009-2011 and 2011-2013 fiscal biennia, the legislature may
18 transfer from the education construction fund to the state general fund
19 such amounts as reflect the excess fund balance of the fund.

20 (2) Funds may be appropriated for any other purpose only if
21 approved by a two-thirds vote of each house of the legislature and if
22 approved by a vote of the people at the next general election. An
23 appropriation approved by the people under this subsection shall result
24 in an adjustment to the state expenditure limit only for the fiscal
25 period for which the appropriation is made and shall not affect any
26 subsequent fiscal period.

27 ~~(3) ((Funds for the student achievement program in RCW 28A.505.210~~
28 ~~and 28A.505.220 shall be appropriated to the superintendent of public~~
29 ~~instruction strictly for distribution to school districts to meet the~~
30 ~~provisions set out in the student achievement act. Allocations shall~~
31 ~~be made on an equal per full-time equivalent student basis to each~~
32 ~~school district.~~

33 ~~(4))~~) After July 1, 2010, the state treasurer shall transfer one
34 hundred two million dollars from the general fund to the education
35 construction fund by June 30th of each year.

1 **Sec. 6.** RCW 67.70.340 and 2010 1st sp.s. c 27 s 4 are each amended
2 to read as follows:

3 (1) The legislature recognizes that creating a shared game lottery
4 could result in less revenue being raised by the existing state lottery
5 ticket sales. The legislature further recognizes that the fund most
6 impacted by this potential event is the Washington opportunity pathways
7 account. Therefore, it is the intent of the legislature to use some of
8 the proceeds from the shared game lottery to make up the difference
9 that the potential state lottery revenue loss would have on the
10 Washington opportunity pathways account. The legislature further
11 intends to use some of the proceeds from the shared game lottery to
12 fund programs and services related to problem and pathological
13 gambling.

14 (2) The Washington opportunity pathways account is expected to
15 receive one hundred two million dollars annually from state lottery
16 games other than the shared game lottery. For fiscal year 2011 and
17 thereafter, if the amount of lottery revenues earmarked for the
18 Washington opportunity pathways account is less than one hundred two
19 million dollars, the commission, after making the transfer required
20 under subsection (3) of this section, must transfer sufficient moneys
21 from revenues derived from the shared game lottery into the Washington
22 opportunity pathways account to bring the total revenue up to one
23 hundred two million dollars.

24 (3)(a) The commission shall transfer, from revenue derived from the
25 shared game lottery, to the problem gambling account created in RCW
26 43.20A.892, an amount equal to the percentage specified in (b) of this
27 subsection of net receipts. For purposes of this subsection, "net
28 receipts" means the difference between (i) revenue received from the
29 sale of lottery tickets or shares and revenue received from the sale of
30 shared game lottery tickets or shares; and (ii) the sum of payments
31 made to winners.

32 (b) In fiscal year 2006, the percentage to be transferred to the
33 problem gambling account is one-tenth of one percent. In fiscal year
34 2007 and subsequent fiscal years, the percentage to be transferred to
35 the problem gambling account is thirteen one-hundredths of one percent.

36 (4) The commission shall transfer the remaining net revenues, if
37 any, derived from the shared game lottery "Powerball" authorized in RCW
38 67.70.044(1) after the transfers pursuant to this section into the

1 state general fund for (~~the student achievement program under RCW~~
2 ~~28A.505.220~~) support for the program of basic education under RCW
3 28A.150.200.

4 (5) The remaining net revenues, if any, in the shared game lottery
5 account after the transfers pursuant to this section shall be deposited
6 into the Washington opportunity pathways account.

7 **Sec. 7.** RCW 83.100.230 and 2010 1st sp.s. c 37 s 953 are each
8 amended to read as follows:

9 The education legacy trust account is created in the state
10 treasury. Money in the account may be spent only after appropriation.
11 Expenditures from the account may be used only for (~~deposit into the~~
12 ~~student achievement fund~~) support of the common schools and for
13 expanding access to higher education through funding for new
14 enrollments and financial aid, and other educational improvement
15 efforts. (~~During the 2009-2011 fiscal biennium, moneys in the account~~
16 ~~may also be transferred into the state general fund.~~)

17 NEW SECTION. **Sec. 8.** The following acts or parts of acts are each
18 repealed:

19 (1) RCW 28A.505.210 (Student achievement funds--Use and accounting
20 of funds--Public hearing--Report) and 2009 c 479 s 17, 2005 c 497 s
21 105, & 2001 c 3 s 3; and

22 (2) RCW 28A.505.220 (Student achievement program--General fund
23 allocation) and 2011 1st sp.s. c 17 s 1.

24 NEW SECTION. **Sec. 9.** Nothing in this act alters or amends the
25 provisions of RCW 84.52.0531 or the methodology for calculating the
26 school district levy base set forth therein.

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