
SUBSTITUTE HOUSE BILL 2207

State of Washington

63rd Legislature

2014 Regular Session

By House Appropriations Subcommittee on Education (originally sponsored by Representatives Haigh, Orcutt, Haler, Tharinger, Blake, Short, Van De Wege, Fagan, Magendanz, and Buys)

READ FIRST TIME 02/03/14.

1 AN ACT Relating to eliminating the reduction in state basic
2 education funding that occurs in counties with federal forest lands;
3 amending RCW 28A.150.250 and 28A.520.020; creating a new section; and
4 providing an effective date.

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

6 NEW SECTION. **Sec. 1.** School districts in counties with federal
7 forests are at a disadvantage in terms of generating local revenue due
8 to economic and private development opportunities that are forgone on
9 these lands. The money school districts receive as a result of federal
10 forest revenue payments should be considered as grants, or
11 compensation, to inhabitants of local areas for impacts associated with
12 the presence of federal lands. The legislature intends to gradually
13 eliminate the offset to state basic education funding allocations for
14 school districts in counties with federal forest lands, prioritizing
15 the phase-out by school poverty level. After full implementation of
16 this act, the entirety of these revenues will be delivered to school
17 districts as a supplement to basic education allocations in addition to
18 the state's basic education apportionment.

1 **Sec. 2.** RCW 28A.150.250 and 2009 c 548 s 105 are each amended to
2 read as follows:

3 (1) From those funds made available by the legislature for the
4 current use of the common schools, the superintendent of public
5 instruction shall distribute annually as provided in RCW 28A.510.250 to
6 each school district of the state operating a basic education
7 instructional program approved by the state board of education an
8 amount based on the formulas provided in RCW 28A.150.260, 28A.150.390,
9 and 28A.150.392 which, when combined with an appropriate portion of
10 such locally available revenues, (~~other than receipts from federal
11 forest revenues distributed to school districts pursuant to RCW
12 28A.520.010 and 28A.520.020,~~) as the superintendent of public
13 instruction may deem appropriate for consideration in computing state
14 equalization support, excluding excess property tax levies, will
15 constitute a basic education allocation in dollars for each annual
16 average full-time equivalent student enrolled. Through the 2016-17
17 school year, the superintendent may offset basic education allocations
18 with a district's receipts from federal forest revenues only to the
19 extent permitted by RCW 28A.520.020. Thereafter, the superintendent
20 may not offset basic education allocations with a district's receipts
21 from federal forest revenues.

22 (2) The instructional program of basic education shall be
23 considered to be fully funded by those amounts of dollars appropriated
24 by the legislature pursuant to RCW 28A.150.260, 28A.150.390, and
25 28A.150.392 to fund those program requirements identified in RCW
26 28A.150.220 in accordance with the formula provided in RCW 28A.150.260
27 and those amounts of dollars appropriated by the legislature to fund
28 the salary requirements of RCW 28A.150.410.

29 (3) If a school district's basic education program fails to meet
30 the basic education requirements enumerated in RCW 28A.150.260 and
31 28A.150.220, the state board of education shall require the
32 superintendent of public instruction to withhold state funds in whole
33 or in part for the basic education allocation until program compliance
34 is assured. However, the state board of education may waive this
35 requirement in the event of substantial lack of classroom space.

36 **Sec. 3.** RCW 28A.520.020 and 2011 c 278 s 1 are each amended to
37 read as follows:

1 (1) There shall be a fund known as the federal forest revolving
2 account. The state treasurer, who shall be custodian of the revolving
3 account, shall deposit into the revolving account the funds for each
4 county received by the state in accordance with Title 16, section 500,
5 United States Code. The state treasurer shall distribute these moneys
6 to the counties according to the determined proportional area. The
7 county legislative authority shall expend fifty percent of the money
8 for the benefit of the public roads and other public purposes as
9 authorized by federal statute or public schools of such county and not
10 otherwise. Disbursements by the counties of the remaining fifty
11 percent of the money shall be as authorized by the superintendent of
12 public instruction, or the superintendent's designee, and shall occur
13 in the manner provided in subsection (2) of this section.

14 (2) No later than thirty days following receipt of the funds from
15 the federal government, the superintendent of public instruction shall
16 apportion moneys distributed to counties for schools to public school
17 districts in the respective counties in proportion to the number of
18 resident full-time equivalent students enrolled in each public school
19 district to the number of resident full-time equivalent students
20 enrolled in public schools in the county. In apportioning these funds,
21 the superintendent of public instruction shall utilize the October
22 enrollment count.

23 (3)(a) From school years 2014-15 through 2016-17, if the amount
24 received by any public school district pursuant to subsection (2) of
25 this section is less than the basic education allocation to which the
26 district would otherwise be entitled, the superintendent of public
27 instruction shall apportion to the district, in the manner provided by
28 RCW 28A.510.250, an amount which shall be the difference between the
29 amount received pursuant to subsection (2) of this section and the
30 basic education allocation to which the district would otherwise be
31 entitled, subject to the phase-out schedule in (b) of this subsection.

32 (b) For the 2014-15 school year, the superintendent may not offset
33 basic education allocations with federal forest revenues for the
34 poorest one-third of school districts receiving such revenues. For
35 school years 2015-16 and 2016-17, the superintendent may not offset
36 basic education revenues with federal forest revenues for the poorest
37 two-thirds of school districts receiving such revenues. For purposes

1 of this section, poverty is measured by the percentage of students
2 eligible for free and reduced-price lunch in the previous school year.

3 (c) Thereafter, the superintendent may not use federal forest
4 revenues received by school districts under subsection (2) of this
5 section to reduce basic education allocations.

6 (4) All federal forest funds shall be expended in accordance with
7 the requirements of Title 16, section 500, United States Code, as now
8 existing or hereafter amended.

9 (5) The definition of resident student for purposes of this section
10 shall be based on rules adopted by the superintendent of public
11 instruction, which shall consider and address the impact of alternative
12 learning experience students on federal forest funds distribution.

13 NEW SECTION. **Sec. 4.** This act takes effect September 1, 2014.

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