

SENATE BILL REPORT

SB 6568

As Reported By Senate Committee On:
Education, February 6, 1998

Title: An act relating to school district revenues.

Brief Description: Distributing school district revenues.

Sponsors: Senators Anderson, Hargrove, Swecker, Snyder, Stevens, Spanel, Morton, Roach, Benton, Rossi and Zarelli.

Brief History:

Committee Activity: Education: 2/6/98 [DP-WM].

Ways & Means: 3/9/98.

SENATE COMMITTEE ON EDUCATION

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Hochstatter, Chair; Finkbeiner, Vice Chair; Goings, Johnson, McAuliffe, Rasmussen and Zarelli.

Staff: William Bridges (786-7424)

SENATE COMMITTEE ON WAYS & MEANS

Staff: William Freund (786-7441)

Background: School districts are guaranteed an amount of basic education funding based on enrollment and other factors. The guaranteed amount is composed of state funding and local deductible revenues which school districts receive from a variety of federal, state and local sources.

Local deductible revenues are composed of revenues from federal and state forests, county administered forests, and federal and local in lieu of taxes. For the 1996-97 school year, local deductible revenues amounted to \$31.9 million and were used to offset the state's basic education obligation.

The school portion of federal timber revenue is distributed to schools districts in counties having federal forests based on the proportion of each district's enrollment to the total enrollment in the county.

The state general fund receives a distribution of state forest funds from purchase lands based on the proportion of the state school tax levy rate plus districts' maintenance and operating rates to the total tax levies in a county.

Summary of Bill: The local revenue deduction is eliminated.

The distribution of federal timber revenues to school districts is changed, requiring the revenues to be distributed in the district where they are generated.

The state general fund share of state forest funds is based only on the state school levy rate, decreasing the distribution to the state general fund and increasing distributions to local taxing districts.

Appropriation: None.

Fiscal Note: Available. Additional fiscal note requested on March 3, 1998.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill will help poor rural districts by permitting them to keep forest revenue that is now going to wealthy urban districts. The bill will reduce local levy amounts. Keeping forest revenue in rural districts will help bedroom communities that are denied an industrial base by the Growth Management Act.

Testimony Against: None.

Testified: Bob Dick, NW Forestry Association; Jerry Hunter, Mount Baker School Dist.; Barbara Scherrer, Granville Grange; Garry Wall, Granite Falls School Dist.