
SUBSTITUTE SENATE BILL 6740

State of Washington

61st Legislature

2010 Regular Session

By Senate Early Learning & K-12 Education (originally sponsored by Senators Hobbs, Oemig, Gordon, McAuliffe, and Shin)

READ FIRST TIME 02/05/10.

1 AN ACT Relating to the local funding working group; amending 2009
2 c 548 s 302 (uncodified); and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that:

5 (1) The Washington supreme court has determined that the state must
6 rely on dependable and regular tax sources to support basic education;

7 (2) Washington, like most states across the country, relies on the
8 property tax to provide financial support for public schools;

9 (3) Property tax support for public schools has been shifting from
10 the statewide, uniform tax to increasing reliance on excess property
11 tax levies that are not dependable and vary widely from school district
12 to school district;

13 (4) A dependable and regular source of financing for K-12 capital
14 facilities has not been identified; and

15 (5) Individual citizens have proposed innovative, comprehensive
16 solutions to provide ongoing, substantial financial support for K-12
17 public schools, and these solutions should be thoughtfully considered
18 for their possible adoption as a new state education finance policy.

1 **Sec. 2.** 2009 c 548 s 302 (uncodified) is amended to read as
2 follows:

3 (1) Beginning July 1, 2010, the office of financial management,
4 with assistance and support from the office of the superintendent of
5 public instruction, shall convene a technical working group to develop
6 options for a new system of supplemental school funding through local
7 school levies and local effort assistance.

8 (2) The working group shall consider the impact on overall school
9 district revenues of the new basic education funding system established
10 under this act and shall recommend a phase-in plan that ensures that no
11 school district suffers a decrease in funding from one school year to
12 the next due to implementation of the new system of supplemental
13 funding.

14 (3)(a) The working group shall also examine options for a
15 comprehensive K-12 finance policy based on the following principles:

16 (i) Increasing support for public schools through the statewide
17 property tax;

18 (ii) Reducing reliance on property taxes from voter-approved excess
19 levies;

20 (iii) Removing historical inequities caused by grandfathering of
21 levy lids in certain school districts;

22 (iv) Providing a consistent source of financing to support K-12
23 capital facilities; and

24 (v) Providing a fair and equitable means of adjusting tax burden
25 for property-poor school districts.

26 (b) The working group shall consider innovative proposals that have
27 previously been developed, identify possible alternatives, analyze
28 their strengths and weaknesses, and examine the impact on taxpayers in
29 various regions of the state. The working group shall report to the
30 quality education council and the legislature on its findings and
31 analysis of options under this subsection (3) by November 30, 2010.

32 (4) The working group shall be composed of representatives from the
33 department of revenue, the legislative evaluation and accountability
34 program committee, school district and educational service district
35 financial managers, and representatives of the Washington association
36 of school business officers, the Washington education association, the
37 Washington association of school administrators, the association of
38 Washington school principals, the Washington state school directors'

1 association, the public school employees of Washington, and other
2 interested stakeholders with expertise in education finance. The
3 working group may convene advisory subgroups on specific topics as
4 necessary to assure participation and input from a broad array of
5 diverse stakeholders. In addition to the staff support provided by the
6 office of financial management and the office of the superintendent of
7 public instruction, the department of revenue shall provide technical
8 assistance, including financial and legal analysis, to support the
9 working group's findings and analysis under subsection (3) of this
10 section.

11 ((+4)) (5) The local funding working group shall be monitored and
12 overseen by the legislature and by the quality education council
13 created in ((section 114 of this act)) RCW 28A.290.010. The working
14 group shall submit a final report to the legislature by December 1,
15 2011.

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