

---

SENATE BILL 6740

---

State of Washington

61st Legislature

2010 Regular Session

By Senators Hobbs, Oemig, Gordon, McAuliffe, and Shin

Read first time 01/25/10. Referred to Committee on Early Learning & K-12 Education.

1 AN ACT Relating to a comprehensive K-12 education policy; amending  
2 2009 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 make a  
30 preliminary report to the quality education council and the legislature  
31 on its findings and analysis of options under this subsection (3) by  
32 December 1, 2010.

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

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

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.

--- END ---