

SHB 2051 - H AMD 506

By Representative Hunter

WITHDRAWN 06/28/2013

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature intends to fund a plan  
4 of incremental implementation to carry out the reforms enacted in  
5 chapter 548, Laws of 2009, chapter 236, Laws of 2010, and to make  
6 statutory changes necessary to support this plan.

7 (2) The legislature confirms its intent to review and revise as  
8 necessary the funding formulas that support the program.

9 (3) To ensure the state's ability to support the Article IX program  
10 of basic education and implement the *McCleary* ruling, the legislature  
11 intends to eliminate certain transfers out of the general fund and to  
12 make a temporary revision to the state expenditure limit laws during  
13 the period of incremental implementation of basic education funding  
14 reforms. By temporarily suspending the "rebasings" that would otherwise  
15 occur under the limit calculation, the legislature will preserve the  
16 ability to fund basic education enhancements during the transition to  
17 full funding of the formula.

18 (4) The legislature finds that the 2015-16 school year targets for  
19 increased minimum allocations for materials, supplies, and operating  
20 costs established under chapter 236, Laws of 2010 were based on a  
21 reasonable estimate that relied on a survey of school districts of  
22 their expenditures from basic education dollars in the 2007-08 school  
23 year. In the course of reviewing and revising education funding  
24 formulas pursuant to chapter 548, Laws of 2009, the legislature has  
25 determined that more accurate expenditure information from the 2011-12  
26 school year is now available. The legislature finds that this  
27 expenditure data, which has been generated from all school districts  
28 rather than a sample and is based on audited actual expenditures rather  
29 than estimates from a survey, warrants adjustment to the 2015-16 school

1 year targets for minimum allocations for materials, supplies, and  
2 operating costs.

3 **Sec. 2.** RCW 28A.150.260 and 2011 1st sp.s. c 27 s 2 are each  
4 amended to read as follows:

5 The purpose of this section is to provide for the allocation of  
6 state funding that the legislature deems necessary to support school  
7 districts in offering the minimum instructional program of basic  
8 education under RCW 28A.150.220. The allocation shall be determined as  
9 follows:

10 (1) The governor shall and the superintendent of public instruction  
11 may recommend to the legislature a formula for the distribution of a  
12 basic education instructional allocation for each common school  
13 district.

14 (2) The distribution formula under this section shall be for  
15 allocation purposes only. Except as may be required under chapter  
16 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and  
17 regulations, nothing in this section requires school districts to use  
18 basic education instructional funds to implement a particular  
19 instructional approach or service. Nothing in this section requires  
20 school districts to maintain a particular classroom teacher-to-student  
21 ratio or other staff-to-student ratio or to use allocated funds to pay  
22 for particular types or classifications of staff. Nothing in this  
23 section entitles an individual teacher to a particular teacher planning  
24 period.

25 (3)(a) To the extent the technical details of the formula have been  
26 adopted by the legislature and except when specifically provided as a  
27 school district allocation, the distribution formula for the basic  
28 education instructional allocation shall be based on minimum staffing  
29 and nonstaff costs the legislature deems necessary to support  
30 instruction and operations in prototypical schools serving high,  
31 middle, and elementary school students as provided in this section.  
32 The use of prototypical schools for the distribution formula does not  
33 constitute legislative intent that schools should be operated or  
34 structured in a similar fashion as the prototypes. Prototypical  
35 schools illustrate the level of resources needed to operate a school of  
36 a particular size with particular types and grade levels of students  
37 using commonly understood terms and inputs, such as class size, hours

1 of instruction, and various categories of school staff. It is the  
2 intent that the funding allocations to school districts be adjusted  
3 from the school prototypes based on the actual number of annual average  
4 full-time equivalent students in each grade level at each school in the  
5 district and not based on the grade-level configuration of the school  
6 to the extent that data is available. The allocations shall be further  
7 adjusted from the school prototypes with minimum allocations for small  
8 schools and to reflect other factors identified in the omnibus  
9 appropriations act.

10 (b) For the purposes of this section, prototypical schools are  
11 defined as follows:

12 (i) A prototypical high school has six hundred average annual full-  
13 time equivalent students in grades nine through twelve;

14 (ii) A prototypical middle school has four hundred thirty-two  
15 average annual full-time equivalent students in grades seven and eight;  
16 and

17 (iii) A prototypical elementary school has four hundred average  
18 annual full-time equivalent students in grades kindergarten through  
19 six.

20 (4)(a) The minimum allocation for each level of prototypical school  
21 shall be based on the number of full-time equivalent classroom teachers  
22 needed to provide instruction over the minimum required annual  
23 instructional hours under RCW 28A.150.220 and provide at least one  
24 teacher planning period per school day, and based on the following  
25 general education average class size of full-time equivalent students  
26 per teacher:

	General education average class size
30 Grades K-3 . . . . .	25.23
31 Grade 4 . . . . .	27.00
32 Grades 5-6 . . . . .	27.00
33 Grades 7-8 . . . . .	28.53
34 Grades 9-12 . . . . .	28.74

35 (b) During the 2011-2013 biennium and beginning with schools with  
36 the highest percentage of students eligible for free and reduced-price  
37 meals in the prior school year, the general education average class

1 size for grades K-3 shall be reduced until the average class size  
 2 funded under this subsection (4) is no more than 17.0 full-time  
 3 equivalent students per teacher beginning in the 2017-18 school year.

4 (c) The minimum allocation for each prototypical middle and high  
 5 school shall also provide for full-time equivalent classroom teachers  
 6 based on the following number of full-time equivalent students per  
 7 teacher in career and technical education:

	Career and technical education average class size
8	
9	
10	
11	
12	26.57
13	
14	
15	22.76

16 (d) In addition, the omnibus appropriations act shall at a minimum  
 17 specify:

18 (i) A high-poverty average class size in schools where more than  
 19 fifty percent of the students are eligible for free and reduced-price  
 20 meals; and

21 (ii) A specialty average class size for laboratory science,  
 22 advanced placement, and international baccalaureate courses.

23 (5) The minimum allocation for each level of prototypical school  
 24 shall include allocations for the following types of staff in addition  
 25 to classroom teachers:  
 26

	Elementary	Middle	High
	School	School	School
28			
29			
30			
31	1.253	1.353	1.880
32			
33	0.663	0.519	0.523
34			
35	0.076	0.060	0.096

1	Social workers.....	0.042	0.006	0.015
2	Psychologists.....	0.017	0.002	0.007
3	Guidance counselors, a function that includes parent outreach and graduation			
4	advising.....	0.493	1.116	1.909
5	Teaching assistance, including any aspect of educational instructional			
6	services provided by classified employees.....	0.936	0.700	0.652
7	Office support and other noninstructional aides.....	2.012	2.325	3.269
8	Custodians.....	1.657	1.942	2.965
9	Classified staff providing student and staff safety.....	0.079	0.092	0.141
10	Parent involvement coordinators.....	0.00	0.00	0.00

11 (6)(a) The minimum staffing allocation for each school district to  
12 provide district-wide support services shall be allocated per one  
13 thousand annual average full-time equivalent students in grades K-12 as  
14 follows:

15		Staff per 1,000
16		K-12 students
17	Technology . . . . .	0.628
18	Facilities, maintenance, and grounds . . . . .	1.813
19	Warehouse, laborers, and mechanics . . . . .	0.332

20 (b) The minimum allocation of staff units for each school district  
21 to support certificated and classified staffing of central  
22 administration shall be 5.30 percent of the staff units generated under  
23 subsections (4)(a) and (b) and (5) of this section and (a) of this  
24 subsection.

25 (7) The distribution formula shall include staffing allocations to  
26 school districts for career and technical education and skill center  
27 administrative and other school-level certificated staff, as specified  
28 in the omnibus appropriations act.

29 (8)(a) Except as provided in (b) of this subsection, the minimum  
30 allocation for each school district shall include allocations per  
31 annual average full-time equivalent student for the following  
32 materials, supplies, and operating costs, to be adjusted for inflation  
33 from the 2008-09 school year:

34		Per annual average
35		full-time equivalent student
36		in grades K-12

1	Technology . . . . .	\$54.43
2	Utilities and insurance . . . . .	\$147.90
3	Curriculum and textbooks . . . . .	\$58.44
4	Other supplies and library materials . . . . .	\$124.07
5	Instructional professional development for certified and	
6	classified staff . . . . .	\$9.04
7	Facilities maintenance . . . . .	\$73.27
8	Security and central office . . . . .	\$50.76

9 (b) During the 2011-2013 biennium, the minimum allocation for  
10 ((maintenance)) materials, supplies, and operating costs shall be  
11 increased as specified in the omnibus appropriations act. The  
12 following allocations, adjusted for inflation from the ((2007-08))  
13 2011-12 school year, are provided in the 2015-16 school year, after  
14 which the allocations shall be adjusted annually for inflation as  
15 specified in the omnibus appropriations act:

	Per annual average full-time equivalent student in grades K-12
16	
17	
18	
19	Technology . . . . . (( <del>\$113.80</del> )) <u>\$107.73</u>
20	Utilities and insurance . . . . . (( <del>\$309.21</del> )) <u>\$292.71</u>
21	Curriculum and textbooks . . . . . (( <del>\$122.17</del> )) <u>\$115.66</u>
22	Other supplies and library materials . . . . . (( <del>\$259.39</del> )) <u>\$245.55</u>
23	Instructional professional development for certificated and
24	classified staff . . . . . (( <del>\$18.89</del> )) <u>\$17.89</u>
25	Facilities maintenance . . . . . (( <del>\$153.18</del> )) <u>\$145.00</u>
26	Security and central office administration . . . . . (( <del>\$106.12</del> )) <u>\$100.46</u>

27 (9) In addition to the amounts provided in subsection (8) of this  
28 section, the omnibus appropriations act shall provide an amount based  
29 on full-time equivalent student enrollment in each of the following:

30 (a) Exploratory career and technical education courses for students  
31 in grades seven through twelve;

32 (b) Laboratory science courses for students in grades nine through  
33 twelve;

34 (c) Preparatory career and technical education courses for students  
35 in grades nine through twelve offered in a high school; and

36 (d) Preparatory career and technical education courses for students  
37 in grades eleven and twelve offered through a skill center.

1 (10) In addition to the allocations otherwise provided under this  
2 section, amounts shall be provided to support the following programs  
3 and services:

4 (a) To provide supplemental instruction and services for  
5 underachieving students through the learning assistance program under  
6 RCW 28A.165.005 through 28A.165.065, allocations shall be based on the  
7 district percentage of students in grades K-12 who were eligible for  
8 free or reduced-price meals in the prior school year. The minimum  
9 allocation for the program shall provide for each level of prototypical  
10 school resources to provide, on a statewide average, 1.5156 hours per  
11 week in extra instruction with a class size of fifteen learning  
12 assistance program students per teacher.

13 (b) To provide supplemental instruction and services for students  
14 whose primary language is other than English, allocations shall be  
15 based on the head count number of students in each school who are  
16 eligible for and enrolled in the transitional bilingual instruction  
17 program under RCW 28A.180.010 through 28A.180.080. The minimum  
18 allocation for each level of prototypical school shall provide  
19 resources to provide, on a statewide average, 4.7780 hours per week in  
20 extra instruction with fifteen transitional bilingual instruction  
21 program students per teacher. Notwithstanding other provisions of this  
22 subsection (10), the actual per-student allocation may be scaled to  
23 provide a larger allocation for students needing more intensive  
24 intervention and a commensurate reduced allocation for students needing  
25 less intensive intervention, as detailed in the omnibus appropriations  
26 act.

27 (c) To provide additional allocations to support programs for  
28 highly capable students under RCW 28A.185.010 through 28A.185.030,  
29 allocations shall be based on two and three hundred fourteen one-  
30 thousandths percent of each school district's full-time equivalent  
31 basic education enrollment. The minimum allocation for the programs  
32 shall provide resources to provide, on a statewide average, 2.1590  
33 hours per week in extra instruction with fifteen highly capable program  
34 students per teacher.

35 (11) The allocations under subsections (4)(a) and (b), (5), (6),  
36 and (8) of this section shall be enhanced as provided under RCW  
37 28A.150.390 on an excess cost basis to provide supplemental  
38 instructional resources for students with disabilities.

1 (12)(a) For the purposes of allocations for prototypical high  
2 schools and middle schools under subsections (4) and (10) of this  
3 section that are based on the percent of students in the school who are  
4 eligible for free and reduced-price meals, the actual percent of such  
5 students in a school shall be adjusted by a factor identified in the  
6 omnibus appropriations act to reflect underreporting of free and  
7 reduced-price meal eligibility among middle and high school students.

8 (b) Allocations or enhancements provided under subsections (4),  
9 (7), and (9) of this section for exploratory and preparatory career and  
10 technical education courses shall be provided only for courses approved  
11 by the office of the superintendent of public instruction under chapter  
12 28A.700 RCW.

13 (13)(a) This formula for distribution of basic education funds  
14 shall be reviewed biennially by the superintendent and governor. The  
15 recommended formula shall be subject to approval, amendment or  
16 rejection by the legislature.

17 (b) In the event the legislature rejects the distribution formula  
18 recommended by the governor, without adopting a new distribution  
19 formula, the distribution formula for the previous school year shall  
20 remain in effect.

21 (c) The enrollment of any district shall be the annual average  
22 number of full-time equivalent students and part-time students as  
23 provided in RCW 28A.150.350, enrolled on the first school day of each  
24 month, including students who are in attendance pursuant to RCW  
25 28A.335.160 and 28A.225.250 who do not reside within the servicing  
26 school district. The definition of full-time equivalent student shall  
27 be determined by rules of the superintendent of public instruction and  
28 shall be included as part of the superintendent's biennial budget  
29 request. The definition shall be based on the minimum instructional  
30 hour offerings required under RCW 28A.150.220. Any revision of the  
31 present definition shall not take effect until approved by the house  
32 ways and means committee and the senate ways and means committee.

33 (d) The office of financial management shall make a monthly review  
34 of the superintendent's reported full-time equivalent students in the  
35 common schools in conjunction with RCW 43.62.050.

36 **Sec. 3.** RCW 28A.510.250 and 2011 1st sp.s. c 4 s 1 are each  
37 amended to read as follows:



(1) On or before the last business day of September 1969 and each month thereafter through August 31, 2013, the superintendent of public instruction shall apportion from the state general fund to the several educational service districts of the state the proportional share of the total annual amount due and apportionable to such educational service districts for the school districts thereof as follows:

September	.....	9%
October	.....	9%
November	.....	5.5%
December	.....	9%
January	.....	9%
February	.....	9%
March	.....	9%
April	.....	9%
May	.....	5.5%
June	.....	6.0%
July	.....	10.0%
August	.....	10.0%

(2) For the 2013-14 school year, on or before the last business day of each of the months specified, the superintendent of public instruction shall apportion from the state general fund to the several educational service districts of the state the proportional share of the total amount due and apportionable to such educational service districts for the school districts thereof:

<u>September</u>	<u>.....</u>	<u>8.0%</u>
<u>October</u>	<u>.....</u>	<u>8.0%</u>
<u>November</u>	<u>.....</u>	<u>7.5%</u>
<u>December</u>	<u>.....</u>	<u>7.5%</u>
<u>January</u>	<u>.....</u>	<u>16.0%</u>
<u>March</u>	<u>.....</u>	<u>15%</u>
<u>May</u>	<u>.....</u>	<u>16.0%</u>
<u>July</u>	<u>.....</u>	<u>22.0%</u>

1 (3) Beginning September 1, 2014, on or before the last day of each  
2 of the months specified, the superintendent of public instruction shall  
3 apportion from the state general fund to the several educational  
4 service districts of the state the proportional share of the total  
5 amount due and apportionable to such educational service districts for  
6 the school districts thereof:

7	<u>September</u> .....	<u>16.0%</u>
8	<u>November</u> .....	<u>15.0%</u>
9	<u>January</u> .....	<u>16.0%</u>
10	<u>March</u> .....	<u>15.0%</u>
11	<u>May</u> .....	<u>16.0%</u>
12	<u>July</u> .....	<u>22.0%</u>

13 (4) The annual amount due and apportionable shall be the amount  
14 apportionable for all apportionment credits estimated to accrue to the  
15 schools during the apportionment year beginning September ((~~first~~  
16 ~~{1st}~~)) 1st and continuing through August ((~~thirty first~~ ~~[31st]~~)) 31st.  
17 Appropriations made for school districts for each year of a biennium  
18 shall be apportioned according to the schedule set forth in this  
19 section for the fiscal year starting September 1st of the then calendar  
20 year and ending August 31st of the next calendar year( (~~, except as~~  
21 ~~provided in subsection (2) of this section~~)). The apportionment from  
22 the state general fund for each month shall be an amount which will  
23 equal the amount due and apportionable to the several educational  
24 service districts during such month: PROVIDED, That any school  
25 district may petition the superintendent of public instruction for an  
26 emergency advance of funds which may become apportionable to it but not  
27 to exceed ten percent of the total amount to become due and  
28 apportionable during the school districts apportionment year. The  
29 superintendent of public instruction shall determine if the emergency  
30 warrants such advance and if the funds are available therefor. If the  
31 superintendent determines in the affirmative, he or she may approve  
32 such advance and, at the same time, add such an amount to the  
33 apportionment for the educational service district in which the school  
34 district is located: PROVIDED, That the emergency advance of funds and  
35 the interest earned by school districts on the investment of temporary

1 cash surpluses resulting from obtaining such advance of state funds  
2 shall be deducted by the superintendent of public instruction from the  
3 remaining amount apportionable to said districts during that  
4 apportionment year in which the funds are advanced.

5 ~~((2) In the 2010-11 school year, the June apportionment payment to  
6 school districts shall be reduced by one hundred twenty-eight million  
7 dollars, and an additional apportionment payment shall be made on July  
8 1, 2011, in the amount of one hundred twenty-eight million dollars.  
9 This July 1st payment shall be in addition to the regularly calculated  
10 July apportionment payment.))~~

11 **Sec. 4.** RCW 28A.160.192 and 2011 1st sp.s. c 27 s 3 are each  
12 amended to read as follows:

13 (1) ~~((The superintendent of public instruction shall phase in the  
14 implementation of))~~ The distribution formula under this chapter for  
15 allocating state funds to school districts for the transportation of  
16 students to and from school ~~((The phase in shall begin no later than  
17 the 2011-2013 biennium and be fully implemented by the 2013-2015  
18 biennium.))~~ must:

19 (a) ~~((The formula must))~~ Be developed and revised on an ongoing  
20 basis using the major cost factors in student transportation, including  
21 basic and special student loads, school district land area, average  
22 distance to school, roadway miles, and number of locations served.  
23 Factors must include all those site characteristics that are  
24 statistically significant after analysis of the data required by the  
25 revised reporting process.

26 (b) ~~((The formula must))~~ Allocate funds to school districts based  
27 on the average predicted costs of transporting students to and from  
28 school, using a regression analysis. Only factors that are  
29 statistically significant shall be used in the regression analysis.  
30 Employee compensation costs included in the allowable transportation  
31 expenditures used for the purpose of establishing each ~~((school  
32 district's independent))~~ variable in the regression analysis shall be  
33 limited to the base salary or hourly wage rates, fringe benefit rates,  
34 and ~~((applicable health care))~~ the insurance benefit allocation  
35 rate~~((s))~~ provided in the omnibus appropriations act.

36 (2) ~~((During the phase in period,))~~ Funding provided to school

1 districts for student transportation operations shall be distributed on  
2 the following basis:

3 (a) Annually, each school district shall receive the lesser of the  
4 (~~previous school year's pupil transportation operations allocation~~)  
5 expected cost as predicted by the regression analysis under subsection  
6 (1)(b) of this section, or the total of allowable pupil transportation  
7 expenditures identified on the previous school year's final expenditure  
8 report to the state plus district indirect expenses using the federal  
9 restricted indirect rate as calculated in the district annual financial  
10 report;

11 (b) Annually, the amount identified in (a) of this subsection shall  
12 be adjusted for any budgeted (~~increases~~) changes provided in the  
13 omnibus appropriations act for salaries (~~or~~), fringe benefits, and  
14 the insurance benefit allocation rate; and

15 (~~(c) (Annually, any funds appropriated by the legislature in excess~~  
16 ~~of the maintenance level funding amount for student transportation~~  
17 ~~shall be distributed among school districts on a prorated basis using~~  
18 ~~the difference between the amount identified in (a) adjusted by (b) of~~  
19 ~~this subsection and the amount determined under the formula in RCW~~  
20 ~~28A.160.180; and~~

21 ~~(d))~~ Allocations provided to recognize the cost of depreciation to  
22 districts contracting with private carriers for student transportation  
23 shall be deducted from the allowable transportation expenditures in (a)  
24 of this subsection.

25 **Sec. 5.** RCW 43.135.025 and 2009 c 479 s 35 are each amended to  
26 read as follows:

27 (1) The state shall not expend from the general fund during any  
28 fiscal year state moneys in excess of the state expenditure limit  
29 established under this chapter.

30 (2) Except pursuant to a declaration of emergency under RCW  
31 43.135.035 or pursuant to an appropriation under RCW 43.135.045(2), the  
32 state treasurer shall not issue or redeem any check, warrant, or  
33 voucher that will result in a state general fund expenditure for any  
34 fiscal year in excess of the state expenditure limit established under  
35 this chapter. A violation of this subsection constitutes a violation  
36 of RCW 43.88.290 and shall subject the state treasurer to the penalties  
37 provided in RCW 43.88.300.

1 (3) The state expenditure limit for any fiscal year shall be the  
2 previous fiscal year's state expenditure limit increased by a  
3 percentage rate that equals the fiscal growth factor.

4 (4) For purposes of computing the state expenditure limit for the  
5 fiscal year beginning July 1, 2009, the phrase "the previous fiscal  
6 year's state expenditure limit" means the total state expenditures from  
7 the state general fund, the public safety and education account, the  
8 health services account, the violence reduction and drug enforcement  
9 account, the student achievement fund, the water quality account, and  
10 the equal justice subaccount, not including federal funds, for the  
11 fiscal year beginning July 1, 2008, plus the fiscal growth factor.

12 (5) A state expenditure limit committee is established for the  
13 purpose of determining and adjusting the state expenditure limit as  
14 provided in this chapter. The members of the state expenditure limit  
15 committee are the director of financial management, the attorney  
16 general or the attorney general's designee, and the chairs and ranking  
17 minority members of the senate committee on ways and means and the  
18 house of representatives committee on ways and means. All actions of  
19 the state expenditure limit committee taken pursuant to this chapter  
20 require an affirmative vote of at least four members.

21 (6) Each November, the state expenditure limit committee shall  
22 adjust the expenditure limit for the preceding fiscal year based on  
23 actual expenditures and known changes in the fiscal growth factor and  
24 then project an expenditure limit for the next two fiscal years.  
25 However, to facilitate incremental implementation of basic education  
26 formula enhancements under chapter 548, Laws of 2009, chapter 236, Laws  
27 of 2010, and appropriations legislation, when calculating the  
28 expenditure limit for fiscal years 2014 through and including fiscal  
29 year 2018, the state expenditure limit committee must adjust the limit  
30 as otherwise required by this chapter but may not rebase the limit by  
31 adjusting the limit for the preceding fiscal year based on actual  
32 expenditures. If, by November 30th, the state expenditure limit  
33 committee has not adopted the expenditure limit adjustment and  
34 projected expenditure limit as provided in subsection (5) of this  
35 section, the attorney general or his or her designee shall adjust or  
36 project the expenditure limit, as necessary.

37 (7) "Fiscal growth factor" means the average growth in state  
38 personal income for the prior ten fiscal years.

1 (8) "General fund" means the state general fund.

2 **Sec. 6.** RCW 43.135.045 and 2012 2nd sp.s. c 5 s 1 and 2012 1st  
3 sp.s. c 10 s 5 are each reenacted and amended to read as follows:

4 The education construction fund is hereby created in the state  
5 treasury.

6 (1) Funds may be appropriated from the education construction fund  
7 exclusively for common school construction or higher education  
8 construction. (~~During the 2007-2009 fiscal biennium, funds may also  
9 be used for higher education facilities preservation and maintenance.  
10 During the 2009-2011 and 2011-2013 fiscal biennia, the legislature may  
11 transfer from the education construction fund to the state general fund  
12 such amounts as reflect the excess fund balance of the fund.~~)

13 (2) Funds may be appropriated for any other purpose only if  
14 approved by a two-thirds vote of each house of the legislature and if  
15 approved by a vote of the people at the next general election. An  
16 appropriation approved by the people under this subsection must result  
17 in an adjustment to the state expenditure limit only for the fiscal  
18 period for which the appropriation is made and does not affect any  
19 subsequent fiscal period.

20 (~~(3) After July 1, 2010, the state treasurer must transfer one  
21 hundred two million dollars from the general fund to the education  
22 construction fund by June 30th of each year. However, the transfers  
23 may not take place in the fiscal biennium ending June 30, 2015.~~)

24 NEW SECTION. **Sec. 7.** Sections 2 and 3 of this act are necessary  
25 for the immediate preservation of the public peace, health, or safety,  
26 or support of the state government and its existing public  
27 institutions, and take effect September 1, 2013.

28 NEW SECTION. **Sec. 8.** Sections 5 and 6 of this act are necessary  
29 for the immediate preservation of the public peace, health, or safety,  
30 or support of the state government and its existing public  
31 institutions, and take effect July 1, 2013.

32 NEW SECTION. **Sec. 9.** Section 4 of this act takes effect September  
33 1, 2014."

1 Correct the title.

EFFECT: Replaces all provisions of the underlying bill except the following:

Adjusts the allocations for maintenance, supplies, and operating costs to reflect updated data.

Adjusts statutes pertaining to the pupil transportation funding formula to reflect full implementation of the revised formula beginning in the 2014-15 school year.

Directs that the state expenditure limit for fiscal years 2014 through 2018 not be rebased to reflect the previous year's actual expenditures.

Adds the following provisions to the underlying bill:

Changes the schedule for allocating state funds to school districts from 12 payments per school year to eight payments per school year in 2013-14 and six payments per school year beginning in 2014-15. Specifies the proportion of a district's total annual apportionment for each payment.

Repeals a requirement for an annual transfer of \$102 million from the general fund to the education construction fund.

--- END ---