

CERTIFICATION OF ENROLLMENT

**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2207**

Chapter 155, Laws of 2014

(partial veto)

63rd Legislature  
2014 Regular Session

BASIC EDUCATION FUNDING--COUNTIES WITH FEDERAL FOREST LANDS

EFFECTIVE DATE: 09/01/14

Passed by the House March 12, 2014  
Yeas 97 Nays 0

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Passed by the Senate March 13, 2014  
Yeas 47 Nays 2

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Approved March 31, 2014, 2:46 p.m., with  
the exception of Section 1 which is  
vetoed.

JAY INSLEE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of  
the House of Representatives of  
the State of Washington, do hereby  
certify that the attached is  
ENGROSSED SECOND SUBSTITUTE HOUSE  
BILL 2207 as passed by the House of  
Representatives and the Senate on  
the dates hereon set forth.

BARBARA BAKER

\_\_\_\_\_  
**Chief Clerk**

FILED

March 31, 2014

**Secretary of State  
State of Washington**

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ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2207

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Passed Legislature - 2014 Regular Session

State of Washington                      63rd Legislature                      2014 Regular Session

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

READ FIRST TIME 03/03/14.

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; and providing an effective  
4 date.

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

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

8            *(1) From those funds made available by the legislature for the*  
9 *current use of the common schools, the superintendent of public*  
10 *instruction shall distribute annually as provided in RCW 28A.510.250 to*  
11 *each school district of the state operating a basic education*  
12 *instructional program approved by the state board of education an*  
13 *amount based on the formulas provided in RCW 28A.150.260, 28A.150.390,*  
14 *and 28A.150.392 which, when combined with an appropriate portion of*  
15 *such locally available revenues, other than receipts from federal*  
16 *forest revenues distributed to school districts pursuant to RCW*  
17 *28A.520.010 and 28A.520.020, as the superintendent of public*  
18 *instruction may deem appropriate for consideration in computing state*  
19 *equalization support, excluding excess property tax levies, will*

1 constitute a basic education allocation in dollars for each annual  
2 average full-time equivalent student enrolled. However, pursuant to  
3 RCW 28A.520.020, the superintendent may not offset basic education  
4 allocations with a district's federal forest revenues received under  
5 chapter 28A.520 RCW if the school district has a poverty level of at  
6 least fifty-seven percent.

7 (2) The instructional program of basic education shall be  
8 considered to be fully funded by those amounts of dollars appropriated  
9 by the legislature pursuant to RCW 28A.150.260, 28A.150.390, and  
10 28A.150.392 to fund those program requirements identified in RCW  
11 28A.150.220 in accordance with the formula provided in RCW 28A.150.260  
12 and those amounts of dollars appropriated by the legislature to fund  
13 the salary requirements of RCW 28A.150.410.

14 (3) If a school district's basic education program fails to meet  
15 the basic education requirements enumerated in RCW 28A.150.260 and  
16 28A.150.220, the state board of education shall require the  
17 superintendent of public instruction to withhold state funds in whole  
18 or in part for the basic education allocation until program compliance  
19 is assured. However, the state board of education may waive this  
20 requirement in the event of substantial lack of classroom space.

*\*Sec. 1 was vetoed. See message at end of chapter.*

21 **Sec. 2.** RCW 28A.520.020 and 2011 c 278 s 1 are each amended to  
22 read as follows:

23 (1) There shall be a fund known as the federal forest revolving  
24 account. The state treasurer, who shall be custodian of the revolving  
25 account, shall deposit into the revolving account the funds for each  
26 county received by the state in accordance with Title 16, section 500,  
27 United States Code. The state treasurer shall distribute these moneys  
28 to the counties according to the determined proportional area. The  
29 county legislative authority shall expend fifty percent of the money  
30 for the benefit of the public roads and other public purposes as  
31 authorized by federal statute or public schools of such county and not  
32 otherwise. Disbursements by the counties of the remaining fifty  
33 percent of the money shall be as authorized by the superintendent of  
34 public instruction, or the superintendent's designee, and shall occur  
35 in the manner provided in subsection (2) of this section.

36 (2) No later than thirty days following receipt of the funds from  
37 the federal government, the superintendent of public instruction shall

1 apportion moneys distributed to counties for schools to public school  
2 districts in the respective counties in proportion to the number of  
3 resident full-time equivalent students enrolled in each public school  
4 district to the number of resident full-time equivalent students  
5 enrolled in public schools in the county. In apportioning these funds,  
6 the superintendent of public instruction shall utilize the October  
7 enrollment count.

8 (3)(a) Except as provided in (b) of this subsection, if the amount  
9 received by any public school district pursuant to subsection (2) of  
10 this section is less than the basic education allocation to which the  
11 district would otherwise be entitled, the superintendent of public  
12 instruction shall apportion to the district, in the manner provided by  
13 RCW 28A.510.250, an amount which shall be the difference between the  
14 amount received pursuant to subsection (2) of this section and the  
15 basic education allocation to which the district would otherwise be  
16 entitled.

17 (b) If a school district has a poverty level of at least fifty-  
18 seven percent, the superintendent may not offset that district's basic  
19 education allocation by the amount of those federal forest revenues, to  
20 the extent that such revenues do not exceed seventy thousand dollars.  
21 The superintendent may offset the district's basic education  
22 allocations by the portion of the federal forest revenues that exceeds  
23 seventy thousand dollars. For purposes of this section, poverty is  
24 measured by the percentage of students eligible for free and reduced-  
25 price lunch in the previous school year.

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

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

33 NEW SECTION. Sec. 3. This act takes effect September 1, 2014.  
Passed by the House March 12, 2014.  
Passed by the Senate March 13, 2014.  
Approved by the Governor March 31, 2014, with the exception of  
certain items that were vetoed.  
Filed in Office of Secretary of State March 31, 2014.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 1, Engrossed Second Substitute House Bill No. 2207 entitled:

"AN ACT Relating to eliminating the reduction in state basic education funding that occurs in counties with federal forest lands."

This legislation will allow high poverty school districts to retain up to \$70,000 of their annual federal forest funding allocation rather than current practice of the offsetting the entire amount against state apportionment funding.

Section 1 prevents any offsetting of federal forest funding from occurring for high poverty districts. This is a technical error in direct conflict with the \$70,000 annual limit established in Section 2 of this act.

For these reasons I have vetoed Section 1 of Engrossed Second Substitute House Bill No. 2207.

With the exception of Section 1, Engrossed Second Substitute House Bill No. 2207 is approved."