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**SUBSTITUTE SENATE BILL 5063**

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**State of Washington                      64th Legislature                      2015 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Hill, Benton, Ericksen, Dammeier, and Sheldon)

READ FIRST TIME 01/19/15.

1            AN ACT Relating to prioritizing state revenue growth for  
2 education; adding a new section to chapter 43.135 RCW; creating a new  
3 section; and providing for submission of this act to a vote of the  
4 people.

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

6            NEW SECTION.    **Sec. 1.** The legislature recognizes that it is the  
7 paramount duty of the state under Article IX of the state  
8 Constitution to provide for the education of the citizens of the  
9 state. The state supreme court has ruled that the legislature has not  
10 provided adequate state funding from dependable and regular sources  
11 to comply with the paramount duty. It is the intent of the  
12 legislature, therefore, through section 2 of this act to prioritize  
13 revenue growth to education, enabling the state to commit an  
14 increasing proportion of state tax dollars and the state budget to  
15 the education of our citizens in fulfillment of the state's paramount  
16 duty.

17            This act shall be known as the kids first act. The legislature  
18 intends by this act to reverse the prior thirty-year trend that saw  
19 the growth rate of noneducation spending significantly exceed that of  
20 education, thus diverting billions of dollars away from the paramount

1 duty of the state. In reversing this trend, the legislature intends  
2 to:

3 (1) Prioritize K-12 education investments in a manner designed to  
4 best achieve improved student outcomes, including continually  
5 reviewing the state's expenditures for conformity with best practices  
6 research;

7 (2) Make college education more affordable while increasing  
8 bachelor and graduate degree production, particularly in science,  
9 technology, engineering, and mathematics fields; and

10 (3) Increase opportunities for families to enroll in high quality  
11 preschool and early learning programs designed to ensure children  
12 enter kindergarten fully prepared.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.135  
14 RCW to read as follows:

15 (1) Beginning July 1, 2017, and ending June 30, 2027, to the  
16 extent that biennial revenues to the state general fund and related  
17 funds exceed state general fund and related fund revenues for the  
18 prior fiscal biennium, the revenue may be expended by the legislature  
19 only if at least two-thirds of the expenditures are for education  
20 programs and the other net state appropriations for education  
21 programs are not reduced below the appropriation level in the prior  
22 biennium. However, less than two-thirds of the revenue may be  
23 expended for education programs to the extent necessary to pay:

24 (a) The costs of court rulings imposing new state costs issued  
25 after July 1, 2017, and prior to July 1, 2027; and

26 (b) The cost of extraordinary growth in the caseloads of state  
27 entitlement programs to the extent that total biennial noneducation  
28 entitlement caseload costs exceed by one-third the average biennial  
29 percentage growth over the prior five fiscal biennia, not including  
30 the cost of new entitlements or the expansion of existing  
31 entitlements after January 1, 2015. In determining the extraordinary  
32 growth calculation of cost increases in noneducation state  
33 entitlement programs, the percentage shall be adjusted to exclude  
34 policy changes, including the use of direct federal stimulus funds,  
35 that caused negative growth during the recessionary time period of  
36 fiscal years 2008 through 2013.

37 (2) As used in this section:

38 (a) "Biennial revenues to the state general fund and related  
39 funds" includes the unrestricted ending fund balance from the prior

1 fiscal biennium and includes the transfer or diversion of revenue or  
2 money to or from another fund or account but excludes transfers to  
3 the budget stabilization account under Article VII, section 12 of the  
4 state Constitution.

5 (b) "Related funds" means the Washington opportunity pathways  
6 account and the education legacy trust account.

7 (c) "Appropriations for education programs" are:

8 (i) State allocations to school districts, charter schools, and  
9 educational service districts;

10 (ii) Appropriations to the state's institutions of higher  
11 education and appropriations to state student financial aid programs;  
12 and

13 (iii) Appropriations for the early learning program under RCW  
14 43.215.455 and 43.215.456.

15 (3) The calculations necessary to determine compliance with this  
16 section shall be performed by the economic and revenue forecast  
17 council.

18 NEW SECTION. **Sec. 3.** The secretary of state shall submit this  
19 act to the people for their adoption and ratification, or rejection,  
20 at the next general election to be held in this state, in accordance  
21 with Article II, section 1 of the state Constitution and the laws  
22 adopted to facilitate its operation.

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