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**SENATE BILL 5664**

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**State of Washington                      65th Legislature                      2017 Regular Session**

**By** Senators Braun, Takko, Hawkins, and King

Read first time 02/01/17. Referred to Committee on Ways & Means.

1            AN ACT Relating to eliminating the reduction in state basic  
2 education funding that occurs in counties with federal forestlands;  
3 amending RCW 28A.150.250 and 28A.520.020; creating a new section; and  
4 providing an effective date.

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

6            NEW SECTION.    **Sec. 1.** School districts in counties with federal  
7 forests are at a disadvantage in terms of generating local revenue  
8 due to economic and private development opportunities that are  
9 forgone on these lands. The legislature intends to no longer reduce  
10 state basic education funding to school districts in counties with  
11 federal forest lands. The money school districts receive as a result  
12 of federal forest revenue payments should be considered as grants, or  
13 compensation, to inhabitants of local areas for impacts associated  
14 with the presence of federal lands. These revenues should be  
15 delivered to school districts as a supplement to basic education  
16 allocations in addition to the state's basic education apportionment.

17            **Sec. 2.** RCW 28A.150.250 and 2009 c 548 s 105 are each amended to  
18 read as follows:

19            (1) From those funds made available by the legislature for the  
20 current use of the common schools, the superintendent of public

1 instruction shall distribute annually as provided in RCW 28A.510.250  
2 to each school district of the state operating a basic education  
3 instructional program approved by the state board of education an  
4 amount based on the formulas provided in RCW 28A.150.260,  
5 28A.150.390, and 28A.150.392 which, when combined with an appropriate  
6 portion of such locally available revenues(~~(, other than receipts~~  
7 ~~from federal forest revenues distributed to school districts pursuant~~  
8 ~~to RCW 28A.520.010 and 28A.520.020,)) as the superintendent of public  
9 instruction may deem appropriate for consideration in computing state  
10 equalization support, excluding excess property tax levies, will  
11 constitute a basic education allocation in dollars for each annual  
12 average full-time equivalent student enrolled.~~

13 (2) The instructional program of basic education shall be  
14 considered to be fully funded by those amounts of dollars  
15 appropriated by the legislature pursuant to RCW 28A.150.260,  
16 28A.150.390, and 28A.150.392 to fund those program requirements  
17 identified in RCW 28A.150.220 in accordance with the formula provided  
18 in RCW 28A.150.260 and those amounts of dollars appropriated by the  
19 legislature to fund the salary requirements of RCW 28A.150.410.

20 (3) If a school district's basic education program fails to meet  
21 the basic education requirements enumerated in RCW 28A.150.260 and  
22 28A.150.220, the state board of education shall require the  
23 superintendent of public instruction to withhold state funds in whole  
24 or in part for the basic education allocation until program  
25 compliance is assured. However, the state board of education may  
26 waive this requirement in the event of substantial lack of classroom  
27 space.

28 **Sec. 3.** RCW 28A.520.020 and 2014 c 155 s 2 are each amended to  
29 read as follows:

30 (1) There shall be a fund known as the federal forest revolving  
31 account. The state treasurer, who shall be custodian of the revolving  
32 account, shall deposit into the revolving account the funds for each  
33 county received by the state in accordance with Title 16, section  
34 500, United States Code. The state treasurer shall distribute these  
35 moneys to the counties according to the determined proportional area.  
36 The county legislative authority shall expend fifty percent of the  
37 money for the benefit of the public roads and other public purposes  
38 as authorized by federal statute or public schools of such county and  
39 not otherwise. Disbursements by the counties of the remaining fifty

1 percent of the money shall be as authorized by the superintendent of  
2 public instruction, or the superintendent's designee, and shall occur  
3 in the manner provided in subsection (2) of this section.

4 (2) No later than thirty days following receipt of the funds from  
5 the federal government, the superintendent of public instruction  
6 shall apportion moneys distributed to counties for schools to public  
7 school districts in the respective counties in proportion to the  
8 number of resident full-time equivalent students enrolled in each  
9 public school district to the number of resident full-time equivalent  
10 students enrolled in public schools in the county. In apportioning  
11 these funds, the superintendent of public instruction shall utilize  
12 the October enrollment count.

13 ~~(3)((a) Except as provided in (b) of this subsection, if) The~~  
14 ~~amount received by any public school district pursuant to subsection~~  
15 ~~(2) of this section ((is less than)) must not reduce the basic~~  
16 ~~education allocation to which the district would otherwise be~~  
17 ~~entitled((, the superintendent of public instruction shall apportion~~  
18 ~~to the district, in the manner provided by RCW 28A.510.250, an amount~~  
19 ~~which shall be the difference between the amount received pursuant to~~  
20 ~~subsection (2) of this section and the basic education allocation to~~  
21 ~~which the district would otherwise be entitled.~~

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

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

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

1        NEW SECTION.   **Sec. 4.**   This act takes effect September 1, 2017.

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