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SUBSTITUTE SENATE BILL 5063

State of Washington 64th Legislature 2015 Regular Session

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

AN ACT Relating to prioritizing state revenue growth for education; adding a new section to chapter 43.135 RCW; creating a new section; and providing for submission of this act to a vote of the 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 Constitution to provide for the education of the citizens of the 8 9 state. The state supreme court has ruled that the legislature has not provided adequate state funding from dependable and regular sources 10 11 comply with the paramount duty. It is the intent 12 legislature, therefore, through section 2 of this act to prioritize 13 revenue growth to education, enabling the state to commit 14 increasing proportion of state tax dollars and the state budget to the education of our citizens in fulfillment of the state's paramount 15 16 duty.

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

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

- (1) Prioritize K-12 education investments in a manner designed to best achieve improved student outcomes, including continually reviewing the state's expenditures for conformity with best practices 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.
- NEW SECTION. Sec. 2. A new section is added to chapter 43.135
 RCW to read as follows:
 - (1) Beginning July 1, 2017, and ending June 30, 2027, to the extent that biennial revenues to the state general fund and related funds exceed state general fund and related fund revenues for the prior fiscal biennium, the revenue may be expended by the legislature only if at least two-thirds of the expenditures are for education programs and the other net state appropriations for education programs are not reduced below the appropriation level in the prior biennium. However, less than two-thirds of the revenue may be expended for education programs to the extent necessary to pay:
 - (a) The costs of court rulings imposing new state costs issued after July 1, 2017, and prior to July 1, 2027; and
 - (b) The cost of extraordinary growth in the caseloads of state entitlement programs to the extent that total biennial noneducation entitlement caseload costs exceed by one-third the average biennial percentage growth over the prior five fiscal biennia, not including the cost of new entitlements or the expansion of existing entitlements after January 1, 2015. In determining the extraordinary growth calculation of cost increases in noneducation state entitlement programs, the percentage shall be adjusted to exclude policy changes, including the use of direct federal stimulus funds, that caused negative growth during the recessionary time period of fiscal years 2008 through 2013.
 - (2) As used in this section:
 - (a) "Biennial revenues to the state general fund and related funds" includes the unrestricted ending fund balance from the prior

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fiscal biennium and includes the transfer or diversion of revenue or money to or from another fund or account but excludes transfers to the budget stabilization account under Article VII, section 12 of the

4 state Constitution.

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- 5 (b) "Related funds" means the Washington opportunity pathways 6 account and the education legacy trust account.
 - (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.
- NEW SECTION. Sec. 3. The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation.

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