

Bipartisan House solution for K-12 education funding: Bonding state lottery funds to construct classrooms

What would this bill do?

- This bipartisan **Dunshee/MacEwen** legislation, [House Bill 2797](#), would allow for **\$700 million** in bonds, backed by state lottery revenue, for grants to school districts to construct classrooms for full-day kindergarten and K-3 class-size reduction. The Office of Superintendent of Public Instruction would administer the grants.
- This bill would require funds generated to be used for building additions/renovations, modular construction and portables in school districts needing more classroom space.
- The funds would be part of the state capital budget, which is the state budget that allocates funding to brick and mortar and other infrastructure projects statewide.

Why is this bill necessary now?

- In its January 2012 [McCleary](#) decision, the state Supreme Court said the Legislature has not complied with its constitutional duty to make ample provision for the education of its children.
- In its January 2014 [order](#) (see right), the state Supreme Court said: “...additional capital expenditures are required of approximately \$105 million for full-day kindergarten and \$599 million for K-3 class-size reduction by 2017-18.” (see right)
- Under the two education enhancement measures, [House Bills 2261](#) (2009) and [2776](#) (2010), and the state Supreme Court [order](#) in the **McCleary** case, the Legislature is required to fully fund full-day kindergarten and K-3 class-size reduction by 2017-18.
- Many schools that have taken advantage of the enhanced funding from the 2013-15 operating budget for full-day kindergarten are finding it difficult to accommodate the smaller class sizes due to lack of classroom space.

\$700+ Million Capital Budget Spending Required (McCleary Supreme Court Order, 1/9/14)

“ The plaintiffs cite OSPI’s 2013 Facilities Capacity Report to note that school districts are strapped for the physical space to meet these goals. Pls.’ Resp. at 32, 36. OSPI estimates that additional capital expenditures are required of approximately \$105 million for full-day kindergarten and \$599 million for K-3 class-size reduction by 2017-18. *Id.* Make no mistake, enhanced funding for full-day kindergarten and class-size reduction is essential, but the State must account for the actual cost to schools of providing these components of basic education. We recognized long ago that the paramount duty to amply fund education under article IX, section 1 must be borne by the State, not local school districts. *See generally Seattle Sch. Dist. No. 1 v. State*, 90 Wn.2d 476, 536-37, 585 P.2d 71 (1978). ”

What is the implementation schedule for full-day kindergarten and K-3 class size reduction?

- To the right you will see a full-day kindergarten and K-3 class size reduction implementation schedule.

Would schools district have to pass a local levy to match the state funding?

- No. School districts would not be required to pass a local levy to match this construction funding.

Full-Day Kindergarten and K-3 Class Size Reduction Implementation Schedule

School Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Full-Day Kindergarten Must be fully funded statewide by 2017-18 Phase-in based on FRPL	More funding can begin	More funding must begin	Continues to ramp up	Fully Funded			
K-3 Class Size Reduction Must be fully funded statewide by 2017-18 Phase-in based on FRPL	More funding can begin	More funding must begin	Continues to ramp up	Fully Funded			

Source: OSPI Report to the Legislature – Educational System Capacity to Accommodate Increased Resources 2012, February 2013, Page 7, Table 1

Have other states done this?

- Yes. Four other states sell lottery-backed bonds, including Oregon, Arizona, West Virginia and Florida.

How many votes would this bill require in the House and Senate?

- The bill would require only a simple majority vote of the Legislature.

Is this related to Initiative 728?

- Yes. This bill attempts to fulfill the requirements of [I-728](#), which passed by 71.7 percent in 2000, and in all counties. It directed state lottery revenues to be dedicated to education construction for “providing improvement or additions to facilities to support class-size reductions...”