

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

Fiscal: May have fiscal impact, but no statement yet issued

Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Provides for an increase in both personal income tax rates and corporate excise tax rates if the state's high school graduation rate becomes 65 percent or lower. Stipulates that the tax rates go back to the rates prior to the change (that is, current law levels) if the graduation rate reaches 90 percent or higher. Directs that the portions of the revenue from the higher tax rates are to be transferred to the School Improvement Fund by the end of each biennium.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The 2007 Legislature appropriated \$260 million to the School Improvement Fund from the General Fund. School districts and ESDs received \$126.6 million in 2007-08 and \$133 million in 2008-09. Funds were targeted for a number of uses to improve student achievement. The Legislature has not made an appropriation to the Fund since the 2007-09 biennium.