

# SENATE BILL REPORT

## SB 5702

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As of February 22, 1995

**Title:** An act relating to designating lottery moneys for school construction and art education.

**Brief Description:** Designating lottery moneys for school construction and art education.

**Sponsors:** Senators Roach and Long.

**Brief History:**

**Committee Activity:** Ways & Means: 2/23/95.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Denise Graham (786-7715)

**Background:** Moneys in the state lottery account may be used only for payment of prizes to the holders of winning lottery tickets or shares, making deposits into the state lottery administrative and reserve accounts, and making deposits into the state general fund. Lottery revenues to the general fund-state are projected to be \$123 million in fiscal year 1996 and \$126 million in fiscal year 1997.

The common school construction account is used to fund the state match on local school district construction projects. Revenues to the fund include revenues generated from the sale of timber from school trust lands, as well as other sources of revenue as the Legislature sees fit. The State School Board estimates that, based on current timber revenue forecasts, there will be a backlog of over \$500 million in school construction projects waiting for state matching funds by the year 2000.

Timber revenues to the common school construction account in the 1995-97 biennium are currently projected to be \$178.7 million. Estimated state match on construction projects eligible for funding next biennium total \$530 million, leaving a gap between revenues and eligible projects of \$351 million. The Senate 1995 supplemental budget provides additional funding that will reduce the projects eligible for funding next biennium by \$48 million, thus reducing the shortfall to \$303 million.

**Summary of Bill:** Revenues from the state lottery previously designated for the state's general fund are divided as follows: (1) 94 percent is deposited into the common school construction fund for school construction and (2) 6 percent is used for the construction of performing or community arts centers located on school district property and for the acquisition and construction of athletic fields and field houses.

School districts must provide 25 percent of the construction funding for the performing or community arts centers and for the athletic fields and field houses. The Superintendent of Public Instruction administers the matching funds. If, at the end of a biennium, any of the monies from the 6 percent portion are unspent, they revert to the state general fund.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.