



Washington State  
School Directors' Association

# Legislative Update

By [Marie Sullivan](#), WSSDA Director of Governmental Relations

June 13, 2013

## It's Day 2 of the 2<sup>nd</sup> Special Session. Do you know where your legislators are?

Many lawmakers returned to Olympia yesterday or today for the start of the 2<sup>nd</sup> special session. At issue? A budget, policy bills, and new revenue. Budgets will probably change again, but here's the latest comparison of the House and Senate budgets that passed in the last week. Use the [LEAP website](#) for the most up-to-date information.

### New Investments in Basic Education (rounded up)

Activity	ESHB 1057 (Passed House 6/6)	ESHB 2034 (Revenue/Trailer bill)	ESSB 5034 (Passed Senate 6/8)
Transportation	\$89.3 million FY15 – fully funded		\$197.5 million FY14 – fully funded
Materials, Supplies & Operating Costs (MSOC) (2012-13 school year is \$554.57 per FTE student)	\$434.3 million Per student increase: FY14 - \$229.74 FY15 - \$13.33		\$521 million Per student increase: FY14 - \$83.65 FY15 - \$500.52
Full-day kindergarten	\$107.9 million FY14 and FY15 – 22% to 48%	\$23.1 million FY14 and FY 15 – 22% to 53%	\$41.2 million FY14 – 22% to 30% FY15 – 30% to 35%
Smaller K-3 class sizes	\$207.8 million		Not included
Learning Assistance Program	\$65.6 million To be used to increase the number of instructional hours, part of 24-credit diploma		\$240.8 million Used on evidence- and research-based programs, pay for family engagement coordinators
Transitional Bilingual Instructional Program (funding for students who exit the program)		\$13 million Begins in 2013-14 school year	\$5.7 million Begins in 2014-15 school year
Levy Equalization	\$10.7 million (assumes levy base	\$835,000	-\$134,000 (assumes levy lid and

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	increases)		commensurate LEA decreases)
Increase Instructional Hours, grades 7-12		\$24.1 million From 1,000 hours to 1,020 hours	
Family Engagement Coordinators		\$24.2 million	
Guidance Counselors		\$20.4 million	

### **Policy enhancements/education priorities**

New evaluation system training	\$20.0 million		\$10.2 million
Required Action Districts grants	\$10.3 million		\$10.3 million
Strategic Innovation Grant (compensation bonuses)	Not included		\$5.0 million
WaKIDS training	\$867,000		Not included

### **Cuts or “Savings”**

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Suspend I-732 (COLAs)	-\$295.6 million		-\$295.8 million
District Payment Schedule Shift	-\$142.6 million	-\$2.5 million	Not included
CTE MSOC changes	Not included		-\$49.2 million
Consolidate provisos (List of programs such as Navigation 101, Nurses Corp, dropout prevention programs, Readiness to Learn, STEM programs, etc.)	Not included		-\$36.7 million
Hold Harmless Removed	-24.7 million		-\$24.7 million

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Assessment Reforms	-\$20.0 million		-\$17.1 million
ALE Funding Allocation Changes	-\$13.3 million		-\$1.6 million
ALE Audit Recoveries	-\$9.1 million		-\$9.1 million
Navigation 101 Elimination	-\$5.0 million		(consolidated into LAP, see above)
Suspend Alternative Routes to becoming a teacher	Not included		-\$5.0 million
Suspend Inflation Adjustment for National Board Bonuses	-\$3.1 million		-\$3.1 million
K-12 Health Insurance	-\$44,000		Reduce monthly payments from \$768 to \$758. (See Section 715 – payments are reduced for part-time classified employees so they can move to the new State Health Benefit Exchange.)

### **Other Budget Items of Interest**

<b>Activity</b>	<b>ESHB 1057 (Passed House 6/6)</b>	<b>ESSB 5034 (Passed Senate 6/8)</b>
JLARC study of how school districts use school days		<p>Section 103(7). The analysis must include:</p> <ul style="list-style-type: none"> <li>• How districts define classroom time, non-classroom time, instructional time, non-instructional time, or other definitions of how a day is used;</li> <li>• Estimates of time in each category;</li> <li>• How non-instructional time is distributed over the annual number of school days;</li> <li>• When non-instructional hours occur;</li> <li>• How non-instructional hours are used, including how much is devoted to professional development for the new evaluation system and common core;</li> <li>• The extent to which the use of each category of time is identified or defined in collective bargaining agreements.</li> </ul>

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The report is due December 1, 2014.

Compensation

Section 501(1)(m): \$90,000 for OSPI to contract with the UW Center for Reinventing Public Education to develop a research-based set of recommendations to revise the current salary allocation schedule to create a new educator compensation model for certificated instructional staff and principals. Levy equalization, salary equalization to eliminate grandfathered school districts, and small schools would also need to be addressed.

An interim report would be due December 1, 2013; final report is due December 1, 2014.

Learning Assistance  
Program Inventory of Best  
Practices

Section 610(7) (Evergreen State College): \$85,000 for the Washington State Institute for Public Policy to create an inventory of evidence-based practices, activities and programs for use by school districts regarding the Learning Assistance Program.

The initial inventory would be due August 1, 2014, and updated every two years thereafter.

School district audits

Section 124 (1) (State Auditor): Audits of school districts by the division of municipal corporations shall include findings regarding the accuracy of: (a) student enrollment data; and (b) the experience and education of the district's certified instructional staff, as reported to OSPI for allocation of state funding.

(2) \$728,000 of the general fund--state appropriation for fiscal year 2014 and \$733,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for staff and related costs to verify the accuracy of reported

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school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

Foster youth

Section 202 (DSHS) (10): \$892,000 to create a demonstration site to support educational outcomes for foster youth.

Section 202 (DSHS) (4): A mix of funding to contract with an educational advocacy provider with expertise in foster care educational outreach.

School nurses

Section 213 State Health Care Authority: \$25,000 state and \$25,000 federal to explore how to increase federal funding participation to increase the number of nurses in schools.

The report is due December 1, 2013.

CTE administrative rate

Section 502 (19)(a) (OSPI): Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed 10 percent of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

### Revenue Proposals

It is very difficult to show an apples-to-apples comparison on revenue. Please refer to documents prepared by non-partisan staff for the [Senate](#) and the [House](#) and review the "Balance Sheets" to understand how the different chambers are describing how they solve the budget problem. The [LEAP website](#) is a good reference for the most up-to-date budget information.

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Fund Transfers (funding is reduced from other programs)	\$517.9 million		\$97 million
ESHB 2034 (eliminating tax preferences)		\$186.4 million	
Transfer from school construction account			\$166 million
Estate Tax fix	\$159.3 million		-\$160 million
Non-resident sales tax	\$47.3 million		\$47.3 million
Telecommunications fix	\$109.0 million		\$85 million
Miscellaneous new	\$14.0 million		
Projected savings			\$1.9 billion (includes I-732 suspension)
Fund Balance at end of June 30, 2015	\$593.7 million		\$597 million

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