



Washington State
School Directors' Association

Legislative Update

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April 10, 2013

House Democrats propose \$1.3 billion to meet McCleary

The 2013-15 operating budget proposal released by House Appropriations Chair Ross Hunter, D-Medina, would invest \$1.3 billion to the state's redefined program of basic education. The proposal includes funding for transportation, Materials, Supplies, and Operating Costs (MSOC), and full-day kindergarten and smaller K-3 class sizes for high poverty schools.

Also included in the proposal is funding to support an additional 80 instructional hours for grades 7-12 and \$30 million for implementation of the new teacher and principal evaluation. And, unlike any of the proposals to date, the House Democratic budget would start to pay for administrative and classified employee gaps in compensation that are currently funded by local levies.

"We believe this is an honest, responsible and sustainable budget that will help move our state forward over the next two years," said House Democratic Majority Leader Pat Sullivan, D-Covington.

Sullivan was joined by House Appropriations Committee chairman Ross Hunter, D-Medina, and House Finance Committee chairman Reuven Carlyle, D-Seattle. Hunter described how they would spend new investments to meet the state's K-12 education obligation under McCleary, while Carlyle shared the caucus vision and approach for how they would pay for the new investments.

Carlyle said McCleary was a game changer and the Legislature could no longer afford ignore the 640 tax exemptions, tax preferences, or tax credits that have been enacted over the years. "We will bring a new level of rigor and review to existing tax exemptions," he said, stating that some preferential policies are valuable while others don't stack up against the need to fund public schools and services for the state's most vulnerable citizens.

The proposal aligns perfectly with the priorities adopted by the WSSDA Legislative Assembly and Board of Directors for the 2013 session. At the top of the list is implementation through a phased-in approach of ESHB 2261 (2009), starting with transportation and MSOC to relieve pressure on local levy dollars being used to meet state obligations, and making substantial investments through 2018.

The House Democrat's two-year spending plan would suspend I-732 for a savings of \$295 million; the Senate budget permanently repeals the initiative.

To bridge the shortfall and make a significant down payment to meet McCleary, House Democrats would increase revenues by \$1 billion through a combination of tax extensions, new revenues, and closing 15 tax preferences or exemptions. The approach is very different from the Senate's, which relied on fund transfers, projected savings, and permanent reprioritization of funds.

Activity Funded Enhancement	Senate (31-18) ESSB 5034	House PSSB 5034	Governor Inslee priorities	House Republicans (PSHB 1057)
Maintenance, Supplies and Operational Costs (MSOC) <ul style="list-style-type: none"> Senate would make a 17 percent increase in the 2013-14 school year and 100 percent funding for the 2014-15 school year 	\$520 million	\$461.2 million	\$466.8 million	\$128 million
Transportation <ul style="list-style-type: none"> Senate would fully fund in the 2013-14 school year 	\$197.5 million	\$144 million	\$198 million	Not included
Class size reductions <ul style="list-style-type: none"> The House Democrat proposal would reduce K-3 class sizes from 25.23 students to 23.58 students for 2013-14, and to 21.94 in 2014-15; for high poverty schools , it would decrease from 24.10 to 22.68 in 2013-14, and to 21.26 in 2014-15 	Not included Senate made conscious decision not to fund this go-around	\$225.3 million House funds K-3	\$128 million Governor would fund high poverty, K-1 first	\$302 million House Republicans would fully fund K-2
Full-day kindergarten	\$41 million Senate would fund high poverty schools first, increasing the percentage of schools funded from 22 percent to 30 percent in 2013-14 and to 35 percent in 2014-15 school year	\$91.5 million House Ds would increase from 22 percent to 37.6 percent in 2013-14 school year and to 53.2 percent in the 2014-15 school year <i>Note: budget notes say 59.6% in 2014-15</i>	\$116 million Governor would fund high poverty schools first, increasing the percentage of schools funded from 22 percent to 50 percent, at class sizes of 20	\$229 million House Republicans would fund 100 percent of all kindergarten classes by the 2014-15 school year
Increased instructional hours from 1,000 to 1,080 for grades 7 – 12 <ul style="list-style-type: none"> Governor indicated this would lead to 1,400 new 	Not included	\$63.4 million	\$98 million	\$158 million

positions and that the funding was not tied to a 24-credit diploma as described by the State Board of Education

- House Republicans boosted instructional hours by 1.1111 per week in the 2013-14 school year and 2.2221 hours per week in the 2014-15 school year

Salary Allocation for classified and administrative salaries

- House would increase above maintenance level classified salary allocations by \$3,008 and for administrator salary allocations by \$11,378 for the 2013-14 and 2014-15 school years.

Not included

\$117.8 million (classified)

Not included

Not included

\$100.5 million (administrative)

Professional development

- Senate would fund teacher evaluation training
- Governor would fund 18 hours of state-directed training for school-based staff
 - Proposal equates to one additional hour every other week
 - This equates to a 1.25 percent increase in the salary allocation

\$10 million

\$30 million

\$90.4 million

Not included

Learning Assistance Program

- Governor would make new investments in Learning Assistance Program (LAP) funds to address dropout prevention in grades 6-9.
 - Districts with a dropout rate exceeding 16

\$241 million

Senate would make significant investments in LAP for reading, writing and math for K-12, using evidence-based

\$22.7 million

House would increase LAP instructional hours as part of a Career and College Ready plan, with full

\$28 million

Not included

percent based on students who start in the 9th grade and graduate would be required to use targeted strategies.

strategies. Funding would come from consolidation of a number of different grant and statewide programs (see proviso consolidation below).

implementation by the 2017-18 school year.

Governor would add funding to LAP to focus on getting students to standard in 3rd grade reading assessments.

- No strings in the first year.
- In the second year, for schools with not reaching 60 percent 3rd grade reading standard, evidence-based programs must be used.

See LAP above

\$12.5 million

Not included

Transitional Bilingual Instruction Program (TBIP)

- Governor would make Transitional Bilingual Instruction Program (TBIP) enhancement for students who exit the program for up to two years of additional instructional support.
 - The accountability is based on length of time in TBIP.
 - When the average exceeds five years, the school will be required to implement evidence-based strategies.

\$5.7 million

Senate would make TBIP enhancement for students who exit the program, beginning with the 2014-15 school year.

\$11.9 million

House would fund increased instructional hours for two years following exit from the program.

\$22 million

Not included

School turnaround – Required Action District state funding (SB 5329)

- Senate would fund 10 RADs at about \$1 million

\$10.2 million

Not included

\$12.5 million

\$10 million FY14 only

each in the second fiscal year, 2014-15 school year

STEM Alliance Partnership	\$253,000		\$10.9 million	Not included
Principal residency pilot program	Not included	Not included	\$4.1 million	Not included
In-school mentor and beginning teacher support (BEST):	Not included	Not included	\$37.5 million	Not included
<ul style="list-style-type: none"> • \$2,500 stipend first year; \$1,250 next two years for mentors • \$2,200 stipend first year; \$1,000 next two years for beginning teacher participating in the program • Mentors may have no more than two beginning teachers • Stipends would pay for two additional hours per week in the first year and one additional hour in the second year 				
Strategic Innovation Grant	\$5 million	Not included	Not included	Not included
Grants would be provided as incentives for hard-to-fill subject areas and challenging schools' assignments, among other evidence- and research-based compensation strategies.				
Sections 501 and 513 individual budget provisos	Senate would consolidate a number of disparate budget provisos for a savings of \$37 million; put into LAP total amount above.	House shifted some provisos to other sections, does not appear to have eliminated any of the provisos.		

School construction assistance program funded in capital budget proposals

Yesterday the Senate Majority Caucus released a proposed substitute to the two-year construction budget, including \$487 million in maintenance level funding for School Construction Assistance Program (SCAP) projects. The proposal does not include additional funding for energy efficiency grants and the small repair program, both of which have been funded in previous years, and makes no new skills center appropriations.

Senate Majority Capital Budget Chairman Jim Honeyford, R-Sunnyside, had previously proposed – and the Senate passed – an early action school construction budget that has languished in the House Capital Budget Committee for more than a month. SSB 5445 is scheduled for a public hearing Friday, April 12 at 8 a.m. The committee also will hold a work session on school construction assistance.

Today House Capital Budget Chairman Hans Dunshee, D-Snohomish, and Ranking Member Judy Warnick, R-Moses Lake, released their budget proposal. Here’s a look at how it stacks up against the Senate budget proposal and former Governor Chris Gregoire’s budget submitted last December.

Activity funded	Senate Proposed (PSSB 5035)	House Proposed (PSHB 1089)	Gregoire (HB 1089)	Comments
School Construction Assistance Program (SCAP)	\$487.5 million	\$494.8 million	\$496.6 million	<ul style="list-style-type: none"> • Senate funds maintenance level • House changes space allocation for funding assistance for districts with senior or four-year high schools with fewer than 400 students, as outlined in WAC 392-343-035, to be computed in accordance with the following formula: <ul style="list-style-type: none"> ○ 0-200 students – 42,000 square feet ○ 201-300 – 48,000 square feet ○ 301 or more – 52,000 square feet • Gregoire funded at policy level
Small Repair Grants	Not included	Not included	\$10 million	
Energy Efficiency Grants	Not included	\$15 million	Not included	
Emergency Repair Pool	\$500,000	Not included	\$500,000	New this year. Emergency funds to be spent in accordance with WAC 392-343-600-615
Kindergarten full-day expansion	Not included	Not included	\$10 million	<ul style="list-style-type: none"> • House proposed • Gregoire funding for capacity needs

School Security Improvement Grants (SB 5197)	\$10 million	Not included	Not included	<ul style="list-style-type: none"> Senate funding would support SSB 5197 as it passed the Senate.
Distressed Schools (Seattle)	Not included	\$10 million	Not included	<ul style="list-style-type: none"> House would fund capital improvements in Seattle Public Schools to address extraordinary current and projected enrollment growth and facility preservation needs of the district.
Tahoma School District	Not included	\$4 million	Not included	<ul style="list-style-type: none"> House would provide funding to purchase property from King County to site a school within Tahoma School District.
Study of SCAP	\$250,000	Not included	Not included	<ul style="list-style-type: none"> Senate would direct OSPI to make recommendations on how the school construction assistance program can better support state policy objectives to reform and improve public education. Areas to be considered include: <ul style="list-style-type: none"> Access to STEM; Smaller class sizes for grades K-3; Increased efficiency for use of high-cost specialized facilities, such as skills centers and community colleges; Multiple release dates for SCAP; Possible opportunities to increase efficiency through consolidation. Report due Sept. 1, 2014. Report must include recommendations and projected costs and benefits.