



**2018 WASA / WSSDA / WASBO LEGISLATIVE CONFERENCE**

DAY ON THE HILL • OLYMPIA, WA • JANUARY 29, 2018

# HOT TOPICS

## Legislator Contact Form



Name: \_\_\_\_\_

School District: \_\_\_\_\_

Legislators contacted / summary of discussion: \_\_\_\_\_

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Please provide us with your feedback:

- Log your activities and meetings during the “Day on the Hill.”
- Return the form to a WSSDA/WASA staff member, or fax, email, or mail your comments to us.

By taking the time to record your activities, you support the ongoing advocacy efforts of our organizations. Thank you.

## McCleary Funding Plan (EHB 2242) Fixes

### Background:

In 2012, when the Supreme Court ruled in the *McCleary* decision that the state was failing to provide ample funding of its constitutional “paramount duty” and, in addition, was forcing an unconstitutional overreliance on school district levies, it set up a protracted fight over education funding—with an ultimate deadline of September 1, 2018. The Legislature was a bit perplexed about how to comply with the decision even though the Legislature had already laid the groundwork for a new education funding system with the adoption of ESHB 2261 (2009) and SHB 2776 (2010). These two bills were the roadmap to an updated definition of basic education, along with the necessary new education finance system to ensure implementation. In fact, the Court essentially told the Legislature to simply fully implement ESHB 2261 and SHB 2776 by the deadline they had already established and the state would be well on its way to solving the *McCleary* riddle.

As time went by, legislators’ attempts to comply with *McCleary* continued to fall short and the Supreme Court twice ordered the Legislature to submit “a complete plan for fully implementing its program of basic education.” Continued failure to comply prompted the Court to issue a Contempt Order in 2014, followed by the imposition of sanctions (\$100,000 per day) in 2015.

Things came to a head in October 2016 when the Court specifically clarified the state’s deadline to fully implement its program of basic education and comply with the *McCleary* decision is September 1, 2018. The Court also clarified that the details of full funding of basic education “must be in place by the final adjournment of the 2017 Legislative Session.” This included “funding sources and the necessary appropriations for the 2017–19 biennium.” This meant, according to the Court order, 2017 was the last opportunity to solve the *McCleary* problem, setting the stage for the 2017 Session.

The 2017 Legislature struggled to come to common ground on a *McCleary* solution; however, EHB 2242 was ultimately adopted as its funding plan meant to comply with the Supreme Court’s *McCleary* decision. The intent of the bill is to establish an education finance system that ensures the state is fulfilling its constitutional paramount duty by fully funding the actual costs of providing all students with the opportunity to learn, thereby reducing local school districts’ overreliance on local levy funding to support the costs of basic education. In short, EHB 2242: revises and increases state salary allocations for education staff; reforms state and local education funding contributions; and increases transparency and accountability of education funding. Following the 2017 Session, the Legislature forwarded its

plan contained within EHB 2242 to the Court. On November 15, 2018 the Supreme Court issued its most recent *McCleary* Order. Briefly, Justices said the Legislature has “satisfied the Court’s mandate to fully fund the program of basic education” as established by ESHB 2261 and SHB 2776. Where the Legislature remains deficient, however, is the funding of basic education salaries. Justices stated they were “satisfied that the new salary model established by EHB 2242 provides for full State funding of basic education salaries sufficient to recruit and retain competent teachers, administrators, and staff,” but noted EHB 2242 and the budget fall short in fully funding salary increases by September 1, 2018, as Ordered by the Court.

### What’s Happening Now:

Although new structures and funding established in 2017 through EHB 2242 provides significant investments and opportunities to support basic education, those enhancements present challenges and do not fully fund the actual cost to school districts to offer a basic education program that provides all students with the opportunity to learn. WASA/WSSDA/WASBO specifically urge the 2018 Legislature at a minimum to address and update the following components in EHB 2242:

- **Special Education.** Though additional funding was provided in 2017 by increasing the special education cap to cover more students (from 12.7 percent to 13.5 percent), this approach does not address the per-student shortfall and overall, special education remains underfunded.
- **Salary Allocations and State Schedule.** Additional funds are provided to support educator compensation; however, that enhancement is still not enough to fund actual salary or staffing costs. EHB 2242 eliminates the Salary Allocation Model (SAM) and institutes a new one-size-fits-all statewide average salary allocation, while also eliminating an essential equity funding mechanism: the staff mix factor. Interestingly, SAM and staff mix were created and implemented to address the Supreme Court’s ruling in the *Seattle School District* school funding case, while the 2017 Legislature eliminated those funding and accountability mechanisms to address a similar school funding lawsuit in *McCleary*. Under the new funding scheme, districts with more experienced staff will be forced to raise additional revenue to retain those educators or be forced to discriminate against more senior staff in hiring decisions—or make program cuts.
- **Levies and Local Effort Assistance.** The implementation of levy reductions and change in the Local Effort Assistance (LEA or “levy equalization”) formula in EHB 2242 is out of sequence with the

timing of state funding increases. This will result in damaging cuts to student programs and services.

- **Regionalization.** EHB 2242’s calculation methodology and application of regionalization factors intensifies current district inequities, forcing needless competition for staff between neighboring districts.
- **Hold Harmless.** EHB 2242 includes hold harmless language for salaries, to ensure districts receive the greater of new salary allocations or the salary allocations for the 2017–18 school year. This provision was assumed to be funded in the budget (\$5.0 million); however, explicit language in that regard is absent.

## School Facilities

### Background:

It is hard to teach and learn in dark, stuffy, cramped classrooms. Group learning and hands-on project-based learning is very tough to do when there is not enough space for students to spread out or include the wrong kinds of fixtures and equipment. It’s impossible to achieve the benefits of reduced class-size if there are not enough classrooms. While schools may be built with “bricks and mortar,” they are all about teaching and learning. State law stipulates that the state will pay an average of half the cost of school construction. To improve the level of state support for building and modernizing our schools we must connect requests for increased capital budget spending on K–12 with the goal of improved student learning.

WASA/WSSDA/WASBO believe there is a need to secure additional facility space necessary to accommodate all-day kindergarten and K–3 class size reduction; enhance the state’s investment in K–12 construction by updating the School Construction Assistance Program (SCAP) formulas (that is, Construction Cost Allocation and Student Space Allocation); address school siting challenges; and to advance a constitutional amendment to the people authorizing school district bond issues to be approved with a simple majority vote.

### What’s Happening Now:

**A Late, But Historic Capital Budget.** Although late, we now have a capital budget with \$1 billion for K–12 construction. K–12’s portion of the total bond budget is 28%. In the 2015–17 biennium the K–12 portion was 26%. Ten years ago, it was 14%. This increase indicates support for shifting capital resources to K–12; however, it is not due to reforming SCAP, as districts and OSPI have continually

**KEY MESSAGE: EHB 2242 must be amended to ensure the original intent of the bill can be implemented.** We support: increases in per-student special education funding (via the excess cost multiplier); implementation of a simplified mandatory state salary schedule and allocation model that includes an “experience” factor (staff mix) to ensure consistency, uniformity and equity across the state; delayed implementation of new levy and LEA policy to allow districts more time to plan for local funding reductions and also allow the Legislature ample time to develop a more workable and equitable levy reduction plan; reconsideration of EHB 2242’s regionalization structure and implementation of a system that would “smooth” regionalization factors between districts; and a hold harmless which ensures the total funding of new state allocations, local levies, and LEA in 2018–19 and 2019–20 are greater than what the district received in the 2017–18 school year.

advocated. Rather, it is driven by increased local bond victories and more square feet of new schools and modernization projects.

**Joint Legislative Task Force to Improve State Funding for School Construction.** Along with a historic K–12 capital budget, the Legislature has committed to improving state funding for school construction. The effort will be pursued through a joint legislative task force. WASA, WSSDA, WASBO many school districts, and ESD 112’s Construction Services Group will be involved. The task force must submit a report by October 1, 2018.

### 2018 Session:

- **Small Rural Schools Grant Program.** SB 5453 creates a new grant program to modernize schools in districts under 1,000 students. These districts have such low property values they can’t raise the amount of local funds required under SCAP to repair and modernize their schools. In 2017, the bill passed the Senate 44 to 5. The bill now awaits action in the Senate.
- **Simple Majority.** SB 6246 and SJR 8213 would reduce the 60% required for bond passage to 55%. This requires a constitutional amendment, which means it must pass the House and the Senate with a 2/3rds yes vote and then be ratified by the voters. WSSDA and WASA testified in support of this bill and joint resolution, though we maintain preference for a simple majority measure.
- **Improving School Construction Assistance Program (SCAP) Funding.** SB 6531, with 36 Senate sponsors, would phase-in improvements in the two main variables in the SCAP formula over the next six years. The Construction Cost Allocation would increase by 50% over inflation assumptions. The Student Space

- Allocation (that is, square feet per student) would increase overall by 40%. Combined, the bill would double state budget assumptions for SCAP by the 2024 list of approved projects.

**KEY MESSAGE: Improved state funding for school construction improves student learning.** Legislators should be thanked for their final passage of the 2017–19 capital

budget. While it is important for legislators to be aware of the implications of delayed capital projects, now is the time to focus forward on making progress this session: passage of SB 5453 (rural schools grant); SB 6246/SJR 8213 (55% passage for school bonds); SB 6531 (SCAP formula); and funding for the next installment of K–3 class-size construction.

## High School Graduation

### Background:

All public school students are required to meet statewide graduation requirements in order to earn a diploma. The goal is that more students will be better prepared to meet 21st-century demands in their working and personal lives. Washington’s state graduation requirements are designed to ensure students have a solid foundation of reading, writing, math, and science skills, no matter the path they choose after high school.

To be eligible to graduate in Washington, high school students must:

- pass state exams in English language arts, mathematics, and science;
- earn all required 24-credits and any additional credits required by their local school district; and
- successfully complete a high school and beyond plan.

In 2017 the Legislature adopted HB 2224 as the means to further delay the science assessment graduation requirement until the Class of 2021, and to provide students who do not meet standard on statewide assessments with more pathways to high school graduation, including the ability for students in the Classes of 2014 and beyond who did not meet the science standard to receive their diplomas. The continuing delay of the science requirement is largely due to the 2013 change in state learning standards when the state adopted the Next Generation Science Standards that necessitated changes in the high school science assessment from the End of Course Biology to a comprehensive science test. The rationale was to give districts, schools, and students sufficient time to transition to the new standards and for a new science assessment system to be developed.

WASA/WSSDA/WASBO believe that state-mandated tests should not be required for students to graduation. While our associations support the important role state assessments have to gather information on system efficacy, and honor the importance of rigorous and relevant pathways and graduation requirements for students, we believe a high school assessment should be used to inform the classes and other supports students need to pursue their desired

paths, not as a barrier for students. By delinking, districts will be better able to focus the necessary resources toward supporting more connected and relevant pathways and support structures to assure every student has the necessary skills and knowledge to prepare them for their next steps beyond high school.

### What’s happening now:

Washington is one of 13 states that had graduation tests in place for the Class of 2017. Many more states have recently ended or placed a moratorium on graduation tests. In the 2017 session, the House passed HB 1046 out of their chamber three times by an overwhelming majority of votes. That bill would have delinked or decoupled passing all three tests in order to graduate. The bill never made it to the Senate floor in any of the three special sessions. This session, the bill is currently awaiting another vote of the House in order to progress to the Senate. Also this session, two new delink bills have been introduced: SB 6144 and HB 2621.

### KEY MESSAGE:

- Our students need certainty. Please support adoption of any of the three bills (HB 1046, HB 2621, or SB 6144) that call for a full delink of requiring passage of all three ELA, math, and science assessments in order for students to graduate. State-mandated tests of any kind should not be required for students to graduate.
- Further delayed action on this issue will continue to rob students of learning opportunities in the classroom. Our focus needs to be supporting strong implementation of the 24-credit graduation requirements, high school and beyond planning, and creating opportunities that supports every student in the pathway they choose, and that does not hinge their success on passing one or more standardized tests.
- State-mandated high school assessments were never intended to be used as an individual student exit exam. It is not appropriate to hold students accountable to a test that is not designed to determine individual student proficiency.