

Joint Task Force on Education Funding Final Report

December 2012

The Joint Task Force on Education Funding was created by the 2012 Washington State Legislature and assigned the task of developing a proposal for a reliable and dependable funding mechanism to support basic education programs.



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Background

In the 2009-11 biennium, two major pieces of legislation were enacted to redefine basic education and restructure K-12 funding formulas. The first was ESHB 2261 (Chapter 548, Laws of 2009) which added programs to the definition of basic education — including the program for highly capable students and phasing in all-day kindergarten. It increased the number of instructional hours, increased the minimum number of credits for high school graduation, and changed the system for funding student transportation. The bill also created the framework for a new K-12 funding allocation formula based on prototypical schools. Changes took effect September 1, 2011 and most enhancements are to be phased in by 2018 on a schedule to be set by the Legislature.

The second bill, SHB 2776 (Chapter 236, Laws of 2010) enacted in statute the funding formulas for the new prototypical schools format at levels that represented what the state was spending on basic education at the time. It set targets for class-size reduction in the lower grades and established a timeline for phasing in certain enhancements to the program of basic education and the new funding levels.

In January 2012, in its ruling on *McCleary v. Washington*, the Supreme Court held that the state has not complied with its Article IX, section 1 constitutional duty to make ample provision for the basic education of all children in Washington. This constitutional provision states: "It is the

Members



Jeff Vincent, Chair

CEO and President, Laird Norton Company, LLC; and Chair, Washington State Board of Education; Governor Appointee

Dr. Susan Enfield, Vice-Chair

Superintendent, Highline School District; Governor Appointee

Senator Lisa Brown

Senate Democratic Caucus Appointee

Senator Joe Fain

Senate Republican Caucus Appointee

Senator David Frockt

Senate Democratic Caucus Appointee

Senator Steve Litzow

Senate Republican Caucus Appointee

Representative Gary Alexander

House Republican Caucus Appointee

Representative Susan Fagan

House Republican Caucus Appointee

Representative Marcie Maxwell

House Democratic Caucus Appointee

Representative Pat Sullivan

House Democratic Caucus Appointee

Mary Lindquist

President, Washington Education Association; Governor Appointee

Alternates:

Senator Christine Rolfes
Representative Cathy Dahlquist
Representative Ross Hunter
Representative Kristine Lytton



paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex." The court did acknowledge the recent enactment of "promising" reforms under Chapter 548, Laws of 2009, and acknowledged current progress toward implementing those reforms. The Court also noted that, if fully funded, the reform package will remedy deficiencies in the K-12 funding system. The Court retained jurisdiction to help "facilitate progress" in the state's plan to fully implement the reforms by 2018.

The Washington State Legislature subsequently enacted House Bill 2824 (Chapter 10, Laws of 2012 1st Special Session), creating the Joint Task Force on Education Funding (JTFEF).

Assignment

In HB 2824, the Legislature assigned the JTFEF the task of developing a proposal for a reliable and dependable funding mechanism to support basic education programs. The legislation states the proposal must, at a minimum, support full implementation of the programmatic enhancements required in ESHB 2261 (Chapter 548, Laws of 2009) and SHB 2776 (Chapter 236, Laws of 2010), including full-day kindergarten; reduced K-3 class size; increased allocations for maintenance, supplies, and operating costs; and a new pupil transportation formula.

The legislation further states the JTFEF may recommend multiple options but must recommend one preferred alternative and provide an outline of necessary implementing legislation. If the preferred alternative is to fully fund the program of basic education with no new revenues, the Task Force must identify what areas already in the state budget would be eliminated or reduced.

Finally, the Legislature directed the JTFEF to consider the specific recommendations for the Transitional Bilingual Instructional Program (TBIP) from the Quality Education Council to the Legislature dated January 6, 2012. The Task Force is to recommend whether the Legislature should implement a scaled funding formula based on level of student English language proficiency and a supplemental allocation for students exiting the program.

Process

The Task Force members developed a framework by which to approach the assignment. First, the task force received detailed briefings on K-12 programs and finance, state revenues, the state operating budget and other items.¹

The group then discussed the phase-in schedule for the four program enhancements for which SHB 2776 set implementation deadlines – whether to ramp up to full implementation in a linear fashion, or

¹ All meeting agendas and materials can be accessed at the JTFEF website at:
<http://www.leg.wa.gov/JointCommittees/EFTF/Pages/Meetings.aspx>



on another schedule. The group considered how and when to phase in the two statutory changes to basic education that do not, as yet, have a fixed deadline. Those changes are the increase in annual instructional hours from 1,000 to 1,080 for students in grades seven through 12, and the opportunity to earn 24 credits for high-school graduation.

The Task Force studied and discussed the Transitional Bilingual Instructional Program (TBIP) funding formula and considered whether to recommend proceeding with potential changes to that formula.

The group considered whether additional enhancements to basic education funding should be included in the Task Force assignment and, if so, what the cost impacts would be.

Defining the magnitude of the K-12 enhancement plan determined the size of the funding solution needed. Finally, the group considered ways to pay for the new costs —whether budget reductions, additional revenue, or a combination.

The task force also received public comment at each meeting.

Adopted Spending Plan

The preferred spending plan adopted by the JTFEF was approved by a vote of seven to two. (See Appendix for roll call.) The adopted spending plan is shown in Table 1. The enhancements are phased in on a linear schedule to reach full implementation in either the 2017-18 school year or the current statutory deadline, whichever is first. The JTFEF acknowledges that the Legislature may consider alternate phase-in schedules to reflect Legislative priorities and emerging research.

Table 1: Spending Plan

dollars in millions	2013-15 Biennium	2015-17 Biennium	2017-19 Biennium
Fully fund revised transportation formula	\$141.6	\$225.1	\$232.8
Materials, Supplies, & Operating Costs (MSOC)	597.1	1,410.9	1,554.7
Reduce K-3 class sizes to 17 pupils/teacher	219.2	662.8	1,150.6
Implement full-day kindergarten statewide	89.3	227.4	348.7
Implement Career & College Ready plan	140.4	327.6	473.4
Classified & administrative salary allocations	169.8	450.2	681.5
Accountability, Evaluation, & Common Core	66.5	44.5	42.0
Total	\$1,423.9	\$3,348.5	\$4,483.7

Note: Amounts may vary depending on the phase-in of the components.



Descriptions of spending plan components:

Revised transportation formula: The 2009 education reform legislation, which revised the K-12 basic education funding formulas, included changes in pupil transportation funding. The new transportation formula was effective September 1, 2011, and phases in funding for the transportation of students "to and from school" as part basic education. The new formula requires the funding to be calculated using a regression analysis of major cost factors that are expected to increase (or decrease) the prior year's pupil-transportation costs. SHB 2776 specified that the revised formula will be fully implemented by the 2013-2015 biennium. (See SHB 2776, section 8(1), page 17)

Materials, Supplies, and Operating Costs (MSOC): Other enhancements included in the new prototypical funding formula are higher allocations for MSOC, previously known as non-employee related costs. The target prototypical values for seven categories of operational costs were based on district information from the 2007-08 school year. In the 2015-16 school year, state funding must reach the 2007-08 values, adjusted for inflation from the 2007-08 school year, with subsequent annual adjustments for inflation. The amounts are allocated on a per-student full-time-equivalent (FTE) basis. (See SHB 2776, section 2(8)(b), page 7)

K-3 class sizes: One of the four funding enhancements scheduled in SHB 2776 requires average class size for grades K-3 to be reduced, beginning with schools with the highest percent of low-income students, until the class size for those grades is 17.00 students per classroom teacher in the 2017-18 school year. At the time the new prototypical formulas were implemented, the class sizes in the basic-education prototypical model for grades K-3 was 25.23 students per classroom teacher. (See SHB 2776, section 2(4)(b), page 4)

Full-Day Kindergarten: Funding for voluntary all-day kindergarten programs is to be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. The increase is to be phased-in on a schedule set by the Legislature, until full statewide implementation is achieved in the 2017-18 school year. (See SHB 2776, section 4(1), page 11)

Career & College Ready plan: This item includes funding for the following: an additional 80 hours of instructional time for students in grades seven through 12; an increase in additional instructional hours for the Learning Assistance Program (LAP) from the current level of 1.5156 hours to 2.0000 hours per week; revisions to TBIP, including increased funding for middle- and high-school bilingual instructional hours from the current 4.7780 hours per week to 6.0000 hours per week in middle school and 8.0000 hours per week in high school, along with the addition of transition support for all exited students for two years in the form of 3.0000 hours per week of additional instructional time; the addition of Family and Community Engagement Coordinators in elementary schools; and increased allocations for middle- and high-school counselors . The plan arose out of discussions related to the



enhancements for increased instructional hours and credits as provided in ESHB 2261. (See ESHB 2261, section 104(2)(a), page 8 and section 104(3)(b), page 8. Note: A deadline for implementation is not currently set in statute for expanded instructional hours or the opportunity to earn 24 credits but ESHB 2261 intent language in section 1(4) stated that the "... legislature intends that the redefined program of basic education and funding for the program be fully implemented by 2018." The 2011 legislature added the statutory requirement that implementation of the expanded instructional hours is to occur "not before the 2014-15 school year." Implementation in the 2014-15 school year would enable students entering high school in that year the opportunity to earn 24 credits by graduation in 2018.)

Classified and Administrative salary allocations: This item represents a long-term target of allocating a labor-market-based salary for each classified and administrative full-time-equivalent staff unit generated by the prototypical model. Pending analysis on this target, the first biennium represents linear ramp-up to a funding level in the 2017-18 school year that would provide the current maximum allocation to all school districts – eliminating grandfathered differential allocations. (This item was not specifically identified as an enhancement in ESHB 2261 or SHB 2776.)

Accountability/Evaluation/Common Core systems: This item contains funding above what is in the base budget to address recent legislatively enacted education reforms. The components include: funding to train all teachers in the new evaluation system enacted in ESSB 5895 (Chapter 35, Laws of 2012) ; state grants to struggling schools that have been identified through the state's accountability index as needing intervention and assistance (Chapter 235, Laws of 2010) ; additional staff at the Educational Service Districts to provide regional professional development in English Language Arts, in addition to the current Math and Science staff, as the state implements the new Common Core standards; and training to school staff in using data to inform instructional, administrative, and policy-related educational activities. (This item was not specifically identified as an enhancement in ESHB 2261 or 2776.)

Adopted Funding Options

The Task Force adopted, by a vote of six to two, a list of funding options for the Legislature to consider. The JTFEF does not recommend a preferred option for funding the adopted spending plan nor does the JTFEF recommend enacting all components.

The options contained in Table 2 show an estimate of the range of revenue or savings generated in a biennium. The low end of the range generally indicates the early biennia as the programs are being phased in to full implementation, and the high end of the range reflects amounts generated when fully implemented in the 2017-19 biennium.



Table 2: Funding Options dollars in millions	Estimated Biennial Impact
Use Rainy Day Fund	\$250 - \$300
Retain existing taxes set to expire	\$650 - \$800
Additional budget efficiencies and savings	\$300
Eliminate tax exemptions	\$250
Transfer all or part of K-12 transportation to transportation budget (with new revenue)	\$143 - \$930
Excise Tax on capital gains*	\$650 - \$1,400
<i>Property Tax Options:</i>	
• Revise state school levy growth factor	\$43 - \$600
• Increase state school levy	\$200 - \$2,350
• Use state school levy to replace local levies	\$1,735 - \$2,680

All new revenues are dedicated to the Education Legacy Trust Account

Descriptions of funding options:

Use of the rainy day fund: In 2007, the voters approved a constitutional amendment establishing the Budget Stabilization Account (commonly known as the "rainy day fund"). Each year, one percent of general state revenues are automatically deposited to the account. Moneys may be appropriated from the rainy day fund by a majority vote of the Legislature if: (1) annual employment growth in the state is forecasted to be less than 1 percent; or (2) the Governor declares an emergency resulting from a catastrophic event that requires government action to protect life or public safety. Other withdrawals may be made only by a three-fifths vote of the Legislature. The Budget Stabilization Account ending balance for 2013-15 under the November 12, 2012 outlook adopted by the Economic and Revenue Forecast Council is \$555 million.

Existing taxes set to expire: Two taxes currently being collected but set to expire are the Business & Occupation 0.3 percent service surtax and a temporary increase in the beer liter tax. An option is to extend these collections.

Eliminate tax exemptions: The Department of Revenue publishes a Tax Exemption Report, which is a study of tax preferences for major Washington State and local taxes. The report includes a description and fiscal impact associated with each tax preference and is updated every four years.



Transfer all or part of K-12 transportation budget: The K-12 public schools budget includes funding for pupil transportation operations, as well as payments to school districts on a depreciation schedule for replacing school buses that are currently in the fleet. Current pupil transportation operations funding totals approximately \$280 million per year. Enhancements under the revised transportation funding formula are estimated to cost up to \$115 million per year when fully funded. In addition, the state provides approximately \$50 million per year for bus replacement purposes. In total, the annual state expenditures, when fully enhanced, are expected to be approximately \$450 million per year, or \$900 million per biennium. It has been proposed that these costs be funded with transportation revenue sources.

Excise tax on capital gains: HB 2563, proposed but not enacted in the 2012 legislative session, would have imposed a tax on capital gains. A capital gains tax is a tax on the profit realized on the sale of non-inventory assets that are purchased at a lower price than the sales price. The most common capital gains are realized from the sale of stocks, bonds, and real estate. The funding option presented in this list would be imposed at a five-percent rate; would exclude the first \$10,000, residence, and retirement distributions; and would retain the same exclusions in federal law for mortgage-derived gains.

Property tax options: The first option would lift or amend the current one-percent limit on the growth of state property taxes. Currently, taxing districts are limited by state law to a property tax increase of the lesser of inflation, or one percent. The second option would be to increase the state property-tax rate. The may impose up to \$3.60 per \$1,000 of assessed property value and currently imposes \$2.22 per \$1,000. The final option is to increase the state rate and, simultaneously, reduce the taxing capacity of the local school districts as the revenue source for some current K-12 spending shifts from local to state sources.

Proposed Plan Not Adopted

A second proposal was presented and not adopted at the final meeting. The proposal included the first four spending components listed in the adopted spending plan (Table 1), along with the portion of the Career & College Ready plan that allocates additional instructional time needed to add 80 hours to the school year for grades seven through 12, and to provide students the opportunity to earn 24 credits for high-school graduation.

The proposal re-prioritized the phase-in of the program enhancements – targeting early investments to the younger grades through full-day kindergarten and smaller K-3 class sizes. The reprioritized spending is displayed in Table 3.



Table 3: Alternative Proposal (not adopted)

dollars in millions	biennial amount
2013-15	
Full-day kindergarten 100% implemented	\$349
One half of K-3 class-size enhancements	\$575
2015-17	
Remainder of K-3 class-size enhancements	\$576
One half of MSOC	\$777
2017-19	
Remaining half of MSOC	\$778
Pupil transportation enhancements	\$232
Addn'l 80 hours for grades 7-12 and 24 credits	\$211

Note: Amounts shown are the additional increments added each biennium; not the cumulative total.

Under this proposal, the enhancements and existing K-12 education programs would be appropriated first in a separate budget from current Near General Fund state revenues, which would fund all K-12 programs. The legislature would then take up and balance the rest of the budget (non-K-12 programs and services) in separate legislation.

See Alternative Proposal (minority) Report at the end of this final report.



References

JTFEF website:

<http://www.leg.wa.gov/JointCommittees/EFTF/Pages/Meetings.aspx>

Career & College Ready plan:

<http://www.leg.wa.gov/JointCommittees/EFTF/Documents/8Rep%20%20Sullivan%20-%20Career%20College%20Ready.pdf>

Accountability/Evaluation/Common Core plan:

<http://www.leg.wa.gov/JointCommittees/EFTF/Documents/Maxwells%20Accountability%20Enhancement%20Straw%20Proposal.pdf>

McCleary decision:

<http://www.courts.wa.gov/opinions/pdf/843627.opn.pdf>

Appendices

Note: The bills included in the Appendix reflect the changes to statute made with the enactment of the bills. It is possible the Legislature has enacted additional changes to statute in subsequent action. To reference current law, please see the Revised Code of Washington (<http://apps.leg.wa.gov/rcw/>).

A. ESHB 2261:

<http://apps.leg.wa.gov/documents/billdocs/2009-10/Pdf/Bills/Session%20Laws/House/2261-S.SL.pdf>

B. SHB 2776:

<http://apps.leg.wa.gov/documents/billdocs/2009-10/Pdf/Bills/Session%20Laws/House/2776-S.SL.pdf>

C. HB 2824:

<http://apps.leg.wa.gov/documents/billdocs/2011-12/Pdf/Bills/Session%20Laws/House/2824.SL.pdf>

D. Roll Call on Votes

E. Alternative Proposal (minority) Report



Appendix A

Engrossed Substitute House Bill 2261
(Chapter 548, Laws of 2009)

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 2261

Chapter 548, Laws of 2009

(partial veto)

61st Legislature
2009 Regular Session

EDUCATION, GENERALLY

EFFECTIVE DATE: 07/26/09 - Except sections 101 through 110 and 701 through 710, which become effective 09/01/11; sections 304 through 311, which become effective 09/01/13; and section 112, which becomes effective 05/19/09.

Passed by the House April 20, 2009
Yeas 67 Nays 31

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 16, 2009
Yeas 26 Nays 23

BRAD OWEN

President of the Senate

Approved May 19, 2009, 10:28 a.m., with the exception of Sections 115 and 709 which are vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2261** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 20, 2009

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2261

AS AMENDED BY THE SENATE

Passed Legislature - 2009 Regular Session

State of Washington 61st Legislature 2009 Regular Session

By House Education Appropriations (originally sponsored by Representatives Sullivan, Priest, Hunter, Anderson, Maxwell, White, Quall, Lias, Dammeier, Rodne, Wallace, Pedersen, Kelley, Goodman, Springer, Hope, Nelson, Miloscia, Carlyle, Hunt, Morris, Morrell, Probst, Pettigrew, Eddy, Simpson, Kenney, Moeller, Smith, Condotta, McCoy, Kagi, Chase, Rolfes, Clibborn, Ormsby, Haler, and Cox)

READ FIRST TIME 03/03/09.

1 AN ACT Relating to education; amending RCW 28A.150.200,
2 28A.150.210, 28A.150.220, 28A.150.250, 28A.150.260, 28A.150.315,
3 28A.150.390, 28A.150.380, 28A.230.090, 43.41.400, 28A.195.010,
4 28A.160.150, 28A.160.160, 28A.160.170, 28A.160.180, 28A.160.190,
5 28A.415.360, 28A.305.130, 28A.165.005, 28A.165.015, 28A.165.055,
6 28A.180.010, 28A.180.080, 28A.225.200, 28A.185.010, and 28A.185.020;
7 adding new sections to chapter 28A.150 RCW; adding new sections to
8 chapter 28A.300 RCW; adding a new section to chapter 28A.655 RCW;
9 adding new sections to chapter 43.41 RCW; adding a new section to
10 chapter 28A.500 RCW; adding new sections to chapter 28A.160 RCW; adding
11 a new section to chapter 28A.410 RCW; adding a new section to chapter
12 28A.305 RCW; adding a new section to chapter 28A.185 RCW; adding a new
13 chapter to Title 28A RCW; creating new sections; repealing RCW
14 28A.150.030, 28A.150.060, 28A.150.100, 28A.150.040, 28A.150.370, and
15 28A.155.180; providing effective dates; and declaring an emergency.

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

17 NEW SECTION. **Sec. 1.** (1) Public education in Washington state has
18 evolved since the enactment of the Washington basic education act of
19 1977. Decisions by the courts have played a part in this evolution, as

1 have studies and research about education practices and education
2 funding. The legislature finds ample evidence of a need for continuing
3 to refine the program of basic education that is funded by the state
4 and delivered by school districts.

5 (2) The legislature reaffirms the work of Washington Learns and
6 other educational task forces that have been convened over the past
7 four years and their recommendations to make bold reforms to the entire
8 educational system in order to educate all students to a higher level;
9 to focus on the individualized instructional needs of students; to
10 strive towards closing the achievement gap and reducing dropout rates;
11 and to prepare students for a constantly evolving workforce and
12 increasingly demanding global economy. In enacting this legislation,
13 the legislature intends to continue to review, evaluate, and revise the
14 definition and funding of basic education in order to continue to
15 fulfill the state obligation under Article IX of the state
16 Constitution. The legislature also intends to continue to strengthen
17 and modify the structure of the entire K-12 educational system,
18 including nonbasic education programmatic elements, in order to build
19 the capacity to anticipate and support potential future enhancements to
20 basic education as the educational needs of our citizens continue to
21 evolve.

22 (3) The legislature recognizes that the first step in revising the
23 definition and funding of basic education is to create a transparent
24 funding system for both allocations and expenditures so that not only
25 policymakers and educators understand how the state supports basic
26 education but also taxpayers. An adequate data system that enables the
27 legislature to make rational, data-driven decisions on which
28 educational programs impact student learning in order to more
29 effectively and efficiently deliver the resources necessary to provide
30 an ample program of basic education is also a necessity. A new
31 prototypical funding system will allow the legislature to better
32 understand how current resources are being used. A more complete and
33 accurate educational data system will allow the legislature to
34 understand whether current basic education programs are supporting
35 student learning. Only with both of these systems in place can the
36 legislature make informed decisions on how to best implement a dynamic
37 and evolving system of basic education.

1 (4) For practical and educational reasons, major changes of the
2 program of basic education and the funding formulas to support it
3 cannot occur instantaneously. The legislature intends to build upon
4 the previous efforts of the legislature and the basic education task
5 force in order to develop a realistic implementation strategy for a new
6 instructional program after technical experts develop the details of
7 the prototypical schools funding formulas and the data and reporting
8 system that will support a new instructional program. The legislature
9 also intends to establish a formal structure for monitoring the
10 implementation by the legislature of an evolving program of basic
11 education and the financing necessary to support such a program. The
12 legislature intends that the redefined program of basic education and
13 funding for the program be fully implemented by 2018.

14 (5) It is the further intent of the legislature to also address
15 additional issues that are of importance to the legislature but are not
16 part of basic education.

17 NEW SECTION. **Sec. 2.** It is the intent of the legislature that
18 specified policies and allocation formulas adopted under this act will
19 constitute the legislature's definition of basic education under
20 Article IX of the state Constitution once fully implemented. The
21 legislature intends, however, to continue to review and revise the
22 formulas and schedules and may make additional revisions, including
23 revisions for technical purposes and consistency in the event of
24 mathematical or other technical errors.

25 **PART I**
26 **PROGRAM AND FUNDING OF BASIC EDUCATION**

27 **Sec. 101.** RCW 28A.150.200 and 1990 c 33 s 104 are each amended to
28 read as follows:

29 ~~((This 1977 amendatory act shall be known and may be cited as "The~~
30 ~~Washington Basic Education Act of 1977."~~ The program evolving from the
31 ~~Basic Education Act shall include (1) the goal of the school system as~~
32 ~~defined in RCW 28A.150.210, (2) those program requirements enumerated~~
33 ~~in RCW 28A.150.220, and (3) the determination and distribution of state~~
34 ~~resources as defined in RCW 28A.150.250 and 28A.150.260.~~

1 ~~The requirements of the Basic Education Act are))~~ (1) The program
2 of basic education established under this chapter is deemed by the
3 legislature to comply with the requirements of Article IX, section 1 of
4 the state Constitution, which states that "It is the paramount duty of
5 the state to make ample provision for the education of all children
6 residing within its borders, without distinction or preference on
7 account of race, color, caste, or sex," and ~~((are))~~ is adopted pursuant
8 to Article IX, section 2 of the state Constitution, which states that
9 "The legislature shall provide for a general and uniform system of
10 public schools."

11 (2) The legislature defines the program of basic education under
12 this chapter as that which is necessary to provide the opportunity to
13 develop the knowledge and skills necessary to meet the state-
14 established high school graduation requirements that are intended to
15 allow students to have the opportunity to graduate with a meaningful
16 diploma that prepares them for postsecondary education, gainful
17 employment, and citizenship. Basic education by necessity is an
18 evolving program of instruction intended to reflect the changing
19 educational opportunities that are needed to equip students for their
20 role as productive citizens and includes the following:

21 (a) The instructional program of basic education the minimum
22 components of which are described in RCW 28A.150.220;

23 (b) The program of education provided by chapter 28A.190 RCW for
24 students in residential schools as defined by RCW 28A.190.020 and for
25 juveniles in detention facilities as identified by RCW 28A.190.010;

26 (c) The program of education provided by chapter 28A.193 RCW for
27 individuals under the age of eighteen who are incarcerated in adult
28 correctional facilities; and

29 (d) Transportation and transportation services to and from school
30 for eligible students as provided under RCW 28A.160.150 through
31 28A.160.180.

32 NEW SECTION. Sec. 102. The definitions in this section apply
33 throughout this chapter unless the context clearly requires otherwise.

34 (1) "Basic education goal" means the student learning goals and the
35 student knowledge and skills described under RCW 28A.150.210.

36 (2) "Certificated administrative staff" means all those persons who

1 are chief executive officers, chief administrative officers,
2 confidential employees, supervisors, principals, or assistant
3 principals within the meaning of RCW 41.59.020(4).

4 (3) "Certificated employee" as used in this chapter and RCW
5 28A.195.010, 28A.405.100, 28A.405.210, 28A.405.240, 28A.405.250,
6 28A.405.300 through 28A.405.380, and chapter 41.59 RCW, means those
7 persons who hold certificates as authorized by rule of the Washington
8 professional educator standards board.

9 (4) "Certificated instructional staff" means those persons employed
10 by a school district who are nonsupervisory certificated employees
11 within the meaning of RCW 41.59.020(8).

12 (5) "Class size" means an instructional grouping of students where,
13 on average, the ratio of students to teacher is the number specified.

14 (6) "Classified employee" means a person who does not hold a
15 professional education certificate or is employed in a position that
16 does not require such a certificate.

17 (7) "Classroom teacher" means a person who holds a professional
18 education certificate and is employed in a position for which such
19 certificate is required whose primary duty is the daily educational
20 instruction of students. In exceptional cases, people of unusual
21 competence but without certification may teach students so long as a
22 certificated person exercises general supervision, but the hiring of
23 such classified employees shall not occur during a labor dispute, and
24 such classified employees shall not be hired to replace certificated
25 employees during a labor dispute.

26 (8) "Instructional program of basic education" means the minimum
27 program required to be provided by school districts and includes
28 instructional hour requirements and other components under RCW
29 28A.150.220.

30 (9) "Program of basic education" means the overall program under
31 RCW 28A.150.200 and deemed by the legislature to comply with the
32 requirements of Article IX, section 1 of the state Constitution.

33 (10) "School day" means each day of the school year on which pupils
34 enrolled in the common schools of a school district are engaged in
35 academic and career and technical instruction planned by and under the
36 direction of the school.

37 (11) "School year" includes the minimum number of school days
38 required under RCW 28A.150.220 and begins on the first day of September

1 and ends with the last day of August, except that any school district
2 may elect to commence the annual school term in the month of August of
3 any calendar year and in such case the operation of a school district
4 for such period in August shall be credited by the superintendent of
5 public instruction to the succeeding school year for the purpose of the
6 allocation and distribution of state funds for the support of such
7 school district.

8 (12) "Teacher planning period" means a period of a school day as
9 determined by the administration and board of the directors of the
10 district that may be used by teachers for instruction-related
11 activities including but not limited to preparing instructional
12 materials; reviewing student performance; recording student data;
13 consulting with other teachers, instructional assistants, mentors,
14 instructional coaches, administrators, and parents; or participating in
15 professional development.

16 **Sec. 103.** RCW 28A.150.210 and 2007 c 400 s 1 are each amended to
17 read as follows:

18 (~~The goal of the basic education act for the schools of the state~~
19 ~~of Washington set forth in this chapter shall be~~) A basic education is
20 an evolving program of instruction that is intended to provide students
21 with the opportunity to become responsible and respectful global
22 citizens, to contribute to their economic well- being and that of their
23 families and communities, to explore and understand different
24 perspectives, and to enjoy productive and satisfying lives.
25 Additionally, the state of Washington intends to provide for a public
26 school system that is able to evolve and adapt in order to better focus
27 on strengthening the educational achievement of all students, which
28 includes high expectations for all students and gives all students the
29 opportunity to achieve personal and academic success. To these ends,
30 the goals of each school district, with the involvement of parents and
31 community members, shall be to provide opportunities for every student
32 to develop the knowledge and skills essential to:

33 (1) Read with comprehension, write effectively, and communicate
34 successfully in a variety of ways and settings and with a variety of
35 audiences;

36 (2) Know and apply the core concepts and principles of mathematics;

1 social, physical, and life sciences; civics and history, including
2 different cultures and participation in representative government;
3 geography; arts; and health and fitness;

4 (3) Think analytically, logically, and creatively, and to integrate
5 different experiences and knowledge to form reasoned judgments and
6 solve problems; and

7 (4) Understand the importance of work and finance and how
8 performance, effort, and decisions directly affect future career and
9 educational opportunities.

10 **Sec. 104.** RCW 28A.150.220 and 1993 c 371 s 2 are each amended to
11 read as follows:

12 ~~(1) ((Satisfaction of the basic education program requirements~~
13 ~~identified in RCW 28A.150.210 shall be considered to be implemented by~~
14 ~~the following program:~~

15 ~~(a) Each school district shall make available to students enrolled~~
16 ~~in kindergarten at least a total instructional offering of four hundred~~
17 ~~fifty hours. The program shall include instruction in the essential~~
18 ~~academic learning requirements under RCW 28A.630.885 and such other~~
19 ~~subjects and such activities as the school district shall determine to~~
20 ~~be appropriate for the education of the school district's students~~
21 ~~enrolled in such program;~~

22 ~~(b))~~ In order for students to have the opportunity to develop the
23 basic education knowledge and skills under RCW 28A.150.210, school
24 districts must provide instruction of sufficient quantity and quality
25 and give students the opportunity to complete graduation requirements
26 that are intended to prepare them for postsecondary education, gainful
27 employment, and citizenship. The program established under this
28 section shall be the minimum instructional program of basic education
29 offered by school districts.

30 (2) Each school district shall make available to students the
31 following minimum instructional offering each school year:

32 (a) For students enrolled in grades one through twelve, at least a
33 district-wide annual average ((total instructional hour offering)) of
34 one thousand hours((. The state board of education may define
35 alternatives to classroom instructional time for students in grades
36 nine through twelve enrolled in alternative learning experiences. The
37 state board of education shall establish rules to determine annual

1 ~~average instructional hours for districts including fewer than twelve~~
2 ~~grades. The program shall include the essential academic learning~~
3 ~~requirements under RCW 28A.630.885 and such other subjects and such~~
4 ~~activities as the school district shall determine to be appropriate for~~
5 ~~the education of the school district's students enrolled in such~~
6 ~~group)), which shall be increased to at least one thousand eighty
7 instructional hours for students enrolled in each of grades seven
8 through twelve and at least one thousand instructional hours for
9 students in each of grades one through six according to an
10 implementation schedule adopted by the legislature; and~~

11 (b) For students enrolled in kindergarten, at least four hundred
12 fifty instructional hours, which shall be increased to at least one
13 thousand instructional hours according to the implementation schedule
14 under RCW 28A.150.315.

15 (3) The instructional program of basic education provided by each
16 school district shall include:

17 (a) Instruction in the essential academic learning requirements
18 under RCW 28A.655.070;

19 (b) Instruction that provides students the opportunity to complete
20 twenty-four credits for high school graduation, subject to a phased-in
21 implementation of the twenty-four credits as established by the
22 legislature. Course distribution requirements may be established by
23 the state board of education under RCW 28A.230.090;

24 (c) If the essential academic learning requirements include a
25 requirement of languages other than English, the requirement may be met
26 by students receiving instruction in one or more American Indian
27 languages;

28 (d) Supplemental instruction and services for underachieving
29 students through the learning assistance program under RCW 28A.165.005
30 through 28A.165.065;

31 (e) Supplemental instruction and services for eligible and enrolled
32 students whose primary language is other than English through the
33 transitional bilingual instruction program under RCW 28A.180.010
34 through 28A.180.080;

35 (f) The opportunity for an appropriate education at public expense
36 as defined by RCW 28A.155.020 for all eligible students with
37 disabilities as defined in RCW 28A.155.020; and

1 (g) Programs for highly capable students under RCW 28A.185.010
2 through 28A.185.030.

3 ~~((+2))~~ (4) Nothing contained in ~~((subsection (1) of))~~ this section
4 shall be construed to require individual students to attend school for
5 any particular number of hours per day or to take any particular
6 courses.

7 ~~((+3))~~ (5) Each school district's kindergarten through twelfth
8 grade basic educational program shall be accessible to all students who
9 are five years of age, as provided by RCW 28A.225.160, and less than
10 twenty-one years of age and shall consist of a minimum of one hundred
11 eighty school days per school year in such grades as are conducted by
12 a school district, and one hundred eighty half-days of instruction, or
13 equivalent, in kindergarten~~((: PROVIDED, That))~~, to be increased to a
14 minimum of one hundred eighty school days per school year according to
15 the implementation schedule under RCW 28A.150.315. However, effective
16 May 1, 1979, a school district may schedule the last five school days
17 of the one hundred and eighty day school year for noninstructional
18 purposes in the case of students who are graduating from high school,
19 including, but not limited to, the observance of graduation and early
20 release from school upon the request of a student, and all such
21 students may be claimed as a full-time equivalent student to the extent
22 they could otherwise have been so claimed for the purposes of RCW
23 28A.150.250 and 28A.150.260.

24 ~~((+4))~~ (6) Nothing in this section precludes a school district
25 from enriching the instructional program of basic education, such as
26 offering additional instruction or providing additional services,
27 programs, or activities that the school district determines to be
28 appropriate for the education of the school district's students.

29 (7) The state board of education shall adopt rules to implement and
30 ensure compliance with the program requirements imposed by this
31 section, RCW 28A.150.250 and 28A.150.260, and such related supplemental
32 program approval requirements as the state board may establish.

33 **Sec. 105.** RCW 28A.150.250 and 1990 c 33 s 107 are each amended to
34 read as follows:

35 (1) From those funds made available by the legislature for the
36 current use of the common schools, the superintendent of public
37 instruction shall distribute annually as provided in RCW 28A.510.250 to

1 each school district of the state operating a basic education
2 instructional program approved by the state board of education an
3 amount based on the formulas provided in RCW 28A.150.260, 28A.150.390,
4 and section 109 of this act which, when combined with an appropriate
5 portion of such locally available revenues, other than receipts from
6 federal forest revenues distributed to school districts pursuant to RCW
7 28A.520.010 and 28A.520.020, as the superintendent of public
8 instruction may deem appropriate for consideration in computing state
9 equalization support, excluding excess property tax levies, will
10 constitute a basic education allocation in dollars for each annual
11 average full-time equivalent student enrolled(~~(, based upon one full~~
12 ~~school year of one hundred eighty days, except that for kindergartens~~
13 ~~one full school year shall be one hundred eighty half days of~~
14 ~~instruction, or the equivalent as provided in RCW 28A.150.220)).~~

15 (2) The instructional program of basic education shall be
16 considered to be fully funded by those amounts of dollars appropriated
17 by the legislature pursuant to RCW ~~((28A.150.250 and))~~ 28A.150.260,
18 28A.150.390, and section 109 of this act to fund those program
19 requirements identified in RCW 28A.150.220 in accordance with the
20 formula ~~((and ratios))~~ provided in RCW 28A.150.260 and those amounts of
21 dollars appropriated by the legislature to fund the salary requirements
22 of RCW ~~((28A.150.100 and))~~ 28A.150.410.

23 ~~((Operation of a program approved by the state board of education,~~
24 ~~for the purposes of this section, shall include a finding that the~~
25 ~~ratio of students per classroom teacher in grades kindergarten through~~
26 ~~three is not greater than the ratio of students per classroom teacher~~
27 ~~in grades four and above for such district: PROVIDED, That for the~~
28 ~~purposes of this section, "classroom teacher" shall be defined as an~~
29 ~~instructional employee possessing at least a provisional certificate,~~
30 ~~but not necessarily employed as a certificated employee, whose primary~~
31 ~~duty is the daily educational instruction of students: PROVIDED~~
32 ~~FURTHER, That the state board of education shall adopt rules and~~
33 ~~regulations to insure compliance with the student/teacher ratio~~
34 ~~provisions of this section, and such rules and regulations shall allow~~
35 ~~for exemptions for those special programs and/or school districts which~~
36 ~~may be deemed unable to practicably meet the student/teacher ratio~~
37 ~~requirements of this section by virtue of a small number of students.))~~

1 (2)((+a)) The distribution formula under this section shall be for
2 allocation purposes only. Except as may be required under chapter
3 28A.165, 28A.180, or 28A.155 RCW, or federal laws and regulations,
4 nothing in this section requires school districts to use basic
5 education instructional funds to implement a particular instructional
6 approach or service. Nothing in this section requires school districts
7 to maintain a particular classroom teacher-to-student ratio or other
8 staff-to-student ratio or to use allocated funds to pay for particular
9 types or classifications of staff. Nothing in this section entitles an
10 individual teacher to a particular teacher planning period.

11 (3)(a) To the extent the technical details of the formula have been
12 adopted by the legislature, the distribution formula for the basic
13 education instructional allocation shall be based on minimum staffing
14 and nonstaff costs the legislature deems necessary to support
15 instruction and operations in prototypical schools serving high,
16 middle, and elementary school students as provided in this section.
17 The use of prototypical schools for the distribution formula does not
18 constitute legislative intent that schools should be operated or
19 structured in a similar fashion as the prototypes. Prototypical
20 schools illustrate the level of resources needed to operate a school of
21 a particular size with particular types and grade levels of students
22 using commonly understood terms and inputs, such as class size, hours
23 of instruction, and various categories of school staff. It is the
24 intent that the funding allocations to school districts be adjusted
25 from the school prototypes based on the actual number of annual average
26 full-time equivalent students in each grade level at each school in the
27 district and not based on the grade-level configuration of the school
28 to the extent that data is available. The allocations shall be further
29 adjusted from the school prototypes with minimum allocations for small
30 schools and to reflect other factors identified in the omnibus
31 appropriations act.

32 (b) For the purposes of this section, prototypical schools are
33 defined as follows:

34 (i) A prototypical high school has six hundred average annual full-
35 time equivalent students in grades nine through twelve;

36 (ii) A prototypical middle school has four hundred thirty-two
37 average annual full-time equivalent students in grades seven and eight;

38 and

1 (iii) A prototypical elementary school has four hundred average
2 annual full-time equivalent students in grades kindergarten through
3 six.

4 (c) The minimum allocation for each level of prototypical school
5 shall be based on the number of full-time equivalent classroom teachers
6 needed to provide instruction over the minimum required annual
7 instructional hours under RCW 28A.150.220 and provide at least one
8 teacher planning period per school day, and based on an average class
9 size as specified in the omnibus appropriations act. The omnibus
10 appropriations act shall at a minimum specify:

11 (i) Basic average class size;

12 (ii) Basic average class size in schools where more than fifty
13 percent of the students are eligible for free and reduced-price meals;

14 (iii) Average class size for exploratory and preparatory career and
15 technical education, laboratory science, advanced placement, and
16 international baccalaureate courses; and

17 (iv) Average class size in grades kindergarten through three.

18 (d) The minimum allocation for each level of prototypical school
19 shall include allocations for the following types of staff in addition
20 to classroom teachers:

21 (i) Principals, including assistant principals, and other
22 certificated building-level administrators;

23 (ii) Teacher librarians, performing functions including information
24 literacy, technology, and media to support school library media
25 programs;

26 (iii) Student health services, a function that includes school
27 nurses, whether certificated instructional or classified employee, and
28 social workers;

29 (iv) Guidance counselors, performing functions including parent
30 outreach and graduation advisor;

31 (v) Professional development coaches;

32 (vi) Teaching assistance, which includes any aspect of educational
33 instructional services provided by classified employees;

34 (vii) Office support, technology support, and other
35 noninstructional aides;

36 (viii) Custodians, warehouse, maintenance, laborer, and
37 professional and technical education support employees; and

38 (ix) Classified staff providing student and staff safety.

1 (4)(a) The minimum allocation for each school district shall
2 include allocations per annual average full-time equivalent student for
3 the following materials, supplies, and operating costs: Student
4 technology; utilities; curriculum, textbooks, library materials, and
5 instructional supplies; instructional professional development for both
6 certificated and classified staff; other building-level costs including
7 maintenance, custodial, and security; and central office
8 administration.

9 (b) The annual average full-time equivalent student amounts in (a)
10 of this subsection shall be enhanced based on full-time equivalent
11 student enrollment in exploratory career and technical education
12 courses for students in grades seven through twelve; laboratory science
13 courses for students in grades nine through twelve; preparatory career
14 and technical education courses for students in grades nine through
15 twelve offered in a high school; and preparatory career and technical
16 education courses for students in grades eleven and twelve offered
17 through a skill center.

18 (5) The allocations provided under subsections (3) and (4) of this
19 section shall be enhanced as follows to provide additional allocations
20 for classroom teachers and maintenance, supplies, and operating costs:

21 (a) To provide supplemental instruction and services for
22 underachieving students through the learning assistance program under
23 RCW 28A.165.005 through 28A.165.065, allocations shall be based on the
24 percent of students in each school who are eligible for free and
25 reduced-price meals. The minimum allocation for the learning
26 assistance program shall provide an extended school day and extended
27 school year for each level of prototypical school and a per student
28 allocation for maintenance, supplies, and operating costs.

29 (b) To provide supplemental instruction and services for students
30 whose primary language is other than English, allocations shall be
31 based on the number of students in each school who are eligible for and
32 enrolled in the transitional bilingual instruction program under RCW
33 28A.180.010 through 28A.180.080. The minimum allocation for each level
34 of prototypical school shall provide for supplemental instruction based
35 on percent of the school day a student is assumed to receive
36 supplemental instruction and a per student allocation for maintenance,
37 supplies, and operating costs.

1 (6) The allocations provided under subsections (3) and (4) of this
2 section shall be enhanced to provide additional allocations to support
3 programs for highly capable students under RCW 28A.185.010 through
4 28A.185.030, based on two and three hundred fourteen one-thousandths
5 percent of each school district's full-time equivalent enrollment. The
6 minimum allocation for the programs shall provide an extended school
7 day and extended school year for each level of prototypical school and
8 a per student allocation for maintenance, supplies, and operating
9 costs.

10 (7) The allocations under subsections (3)(b), (c)(i), and (d), (4),
11 and (8) of this section shall be enhanced as provided under RCW
12 28A.150.390 on an excess cost basis to provide supplemental
13 instructional resources for students with disabilities.

14 (8) The distribution formula shall include allocations to school
15 districts to support certificated and classified staffing of central
16 office administration. The minimum allocation shall be calculated as
17 a percentage, identified in the omnibus appropriations act, of the
18 total allocations for staff under subsections (3) and (6) of this
19 section for all schools in the district.

20 (9)(a) For the purposes of allocations for prototypical high
21 schools and middle schools under subsections (3) and (5) of this
22 section that are based on the percent of students in the school who are
23 eligible for free and reduced-price meals, the actual percent of such
24 students in a school shall be adjusted by a factor identified in the
25 omnibus appropriations act to reflect underreporting of free and
26 reduced-price meal eligibility among middle and high school students.

27 (b) Allocations or enhancements provided under subsections (3) and
28 (4) of this section for exploratory and preparatory career and
29 technical education courses shall be provided only for courses approved
30 by the office of the superintendent of public instruction under chapter
31 28A.700 RCW.

32 (10)(a) This formula for distribution of basic education funds
33 shall be reviewed biennially by the superintendent and governor. The
34 recommended formula shall be subject to approval, amendment or
35 rejection by the legislature. ~~((The formula shall be for allocation~~
36 purposes only. ~~While the legislature intends that the allocations for~~
37 additional instructional staff be used to increase the ratio of such

1 ~~staff to students, nothing in this section shall require districts to~~
2 ~~reduce the number of administrative staff below existing levels.~~

3 ~~(b) The formula adopted by the legislature shall reflect the~~
4 ~~following ratios at a minimum: (i) Forty nine certificated~~
5 ~~instructional staff to one thousand annual average full time equivalent~~
6 ~~students enrolled in grades kindergarten through three; (ii) forty six~~
7 ~~certificated instructional staff to one thousand annual average full~~
8 ~~time equivalent students in grades four through twelve; (iii) four~~
9 ~~certificated administrative staff to one thousand annual average full~~
10 ~~time equivalent students in grades kindergarten through twelve; and~~
11 ~~(iv) sixteen and sixty seven one hundredths classified personnel to one~~
12 ~~thousand annual average full time equivalent students enrolled in~~
13 ~~grades kindergarten through twelve.~~

14 ~~(e)) (b)~~ In the event the legislature rejects the distribution
15 formula recommended by the governor, without adopting a new
16 distribution formula, the distribution formula for the previous school
17 year shall remain in effect ~~((: PROVIDED, That the distribution formula~~
18 ~~developed pursuant to this section shall be for state apportionment and~~
19 ~~equalization purposes only and shall not be construed as mandating~~
20 ~~specific operational functions of local school districts other than~~
21 ~~those program requirements identified in RCW 28A.150.220 and~~
22 ~~28A.150.100)).~~

23 ~~(c)~~ The enrollment of any district shall be the annual average
24 number of full-time equivalent students and part-time students as
25 provided in RCW 28A.150.350, enrolled on the first school day of each
26 month ~~((and shall exclude full time equivalent students with~~
27 ~~disabilities recognized for the purposes of allocation of state funds~~
28 ~~for programs under RCW 28A.155.010 through 28A.155.100)), including~~
29 ~~students who are in attendance pursuant to RCW 28A.335.160 and~~
30 ~~28A.225.250 who do not reside within the servicing school district.~~
31 The definition of full-time equivalent student shall be determined by
32 rules of the superintendent of public instruction ~~((: PROVIDED, That~~
33 ~~the definition)) and~~ shall be included as part of the superintendent's
34 biennial budget request ~~((: PROVIDED, FURTHER, That))~~. The definition
35 shall be based on the minimum instructional hour offerings required
36 under RCW 28A.150.220. Any revision of the present definition shall
37 not take effect until approved by the house ~~((appropriations))~~ ways and

1 means committee and the senate ways and means committee(~~(:—PROVIDED,~~
2 ~~FURTHER, That)~~).

3 (d) The office of financial management shall make a monthly review
4 of the superintendent's reported full-time equivalent students in the
5 common schools in conjunction with RCW 43.62.050.

6 ~~((3)(a) — Certificated — instructional — staff — shall — include — those~~
7 ~~persons — employed — by — a — school — district — who — are — nonsupervisory — employees~~
8 ~~within — the — meaning — of — RCW — 41.59.020(8): — PROVIDED, — That — in — exceptional~~
9 ~~cases, — people — of — unusual — competence — but — without — certification — may — teach~~
10 ~~students — so — long — as — a — certificated — person — exercises — general~~
11 ~~supervision: — PROVIDED, — FURTHER, — That — the — hiring — of — such — classified~~
12 ~~people — shall — not — occur — during — a — labor — dispute — and — such — classified~~
13 ~~people — shall — not — be — hired — to — replace — certificated — employees — during — a~~
14 ~~labor — dispute.~~

15 ~~(b) — Certificated — administrative — staff — shall — include — all — those~~
16 ~~persons — who — are — chief — executive — officers, — chief — administrative~~
17 ~~officers, — confidential — employees, — supervisors, — principals, — or — assistant~~
18 ~~principals — within — the — meaning — of — RCW — 41.59.020(4).))~~

19 **Sec. 107.** RCW 28A.150.315 and 2007 c 400 s 2 are each amended to
20 read as follows:

21 (1) Beginning with the 2007-08 school year, funding for voluntary
22 all-day kindergarten programs shall be phased-in beginning with schools
23 with the highest poverty levels, defined as those schools with the
24 highest percentages of students qualifying for free and reduced-price
25 lunch support in the prior school year. Once a school receives funding
26 for the all-day kindergarten program, that school shall remain eligible
27 for funding in subsequent school years regardless of changes in the
28 school's percentage of students eligible for free and reduced-price
29 lunches as long as other program requirements are fulfilled.
30 Additionally, schools receiving all-day kindergarten program support
31 shall agree to the following conditions:

- 32 (a) Provide at least a one thousand-hour instructional program;
- 33 (b) Provide a curriculum that offers a rich, varied set of
34 experiences that assist students in:
 - 35 (i) Developing initial skills in the academic areas of reading,
36 mathematics, and writing;
 - 37 (ii) Developing a variety of communication skills;

- 1 (iii) Providing experiences in science, social studies, arts,
2 health and physical education, and a world language other than English;
3 (iv) Acquiring large and small motor skills;
4 (v) Acquiring social and emotional skills including successful
5 participation in learning activities as an individual and as part of a
6 group; and
7 (vi) Learning through hands-on experiences;
8 (c) Establish learning environments that are developmentally
9 appropriate and promote creativity;
10 (d) Demonstrate strong connections and communication with early
11 learning community providers; and
12 (e) Participate in kindergarten program readiness activities with
13 early learning providers and parents.

14 (2) Subject to funds appropriated for this purpose, the
15 superintendent of public instruction shall designate one or more school
16 districts to serve as resources and examples of best practices in
17 designing and operating a high-quality all-day kindergarten program.
18 Designated school districts shall serve as lighthouse programs and
19 provide technical assistance to other school districts in the initial
20 stages of implementing an all-day kindergarten program. Examples of
21 topics addressed by the technical assistance include strategic
22 planning, developing the instructional program and curriculum, working
23 with early learning providers to identify students and communicate with
24 parents, and developing kindergarten program readiness activities.

25 ~~((3) Any funds allocated to support all-day kindergarten programs~~
26 ~~under this section shall not be considered as basic education~~
27 ~~funding.))~~

28 **Sec. 108.** RCW 28A.150.390 and 1995 c 77 s 6 are each amended to
29 read as follows:

30 (1) The superintendent of public instruction shall submit to each
31 regular session of the legislature during an odd-numbered year a
32 programmed budget request for special education programs for students
33 with disabilities. Funding for programs operated by local school
34 districts shall be on an excess cost basis from appropriations provided
35 by the legislature for special education programs for students with
36 disabilities and shall take account of state funds accruing through RCW
37 ~~((28A.150.250,))~~ 28A.150.260~~((7))~~ (3) (b), (c)(i), and (d), (4), and

1 (8) and federal medical assistance and private funds accruing under RCW
2 74.09.5249 through 74.09.5253 and 74.09.5254 through 74.09.5256(, and
3 other state and local funds, excluding special excess levies)).

4 (2) The excess cost allocation to school districts shall be based
5 on the following:

6 (a) A district's annual average headcount enrollment of students
7 ages birth through four and those five year olds not yet enrolled in
8 kindergarten who are eligible for and enrolled in special education,
9 multiplied by the district's base allocation per full-time equivalent
10 student, multiplied by 1.15; and

11 (b) A district's annual average full-time equivalent basic
12 education enrollment, multiplied by the district's funded enrollment
13 percent, multiplied by the district's base allocation per full-time
14 equivalent student, multiplied by 0.9309.

15 (3) As used in this section:

16 (a) "Base allocation" means the total state allocation to all
17 schools in the district generated by the distribution formula under RCW
18 28A.150.260 (3) (b), (c)(i), and (d), (4), and (8), to be divided by
19 the district's full-time equivalent enrollment.

20 (b) "Basic education enrollment" means enrollment of resident
21 students including nonresident students enrolled under RCW 28A.225.225
22 and students from nonhigh districts enrolled under RCW 28A.225.210 and
23 excluding students residing in another district enrolled as part of an
24 interdistrict cooperative program under RCW 28A.225.250.

25 (c) "Enrollment percent" means the district's resident special
26 education annual average enrollment, excluding students ages birth
27 through four and those five year olds not yet enrolled in kindergarten,
28 as a percent of the district's annual average full-time equivalent
29 basic education enrollment.

30 (d) "Funded enrollment percent" means the lesser of the district's
31 actual enrollment percent or twelve and seven-tenths percent.

32 NEW SECTION. Sec. 109. (1) To the extent necessary, funds shall
33 be made available for safety net awards for districts with demonstrated
34 needs for special education funding beyond the amounts provided through
35 the special education funding formula under RCW 28A.150.390. If the
36 federal safety net awards based on the federal eligibility threshold
37 exceed the federal appropriation in any fiscal year, then the

1 superintendent shall expend all available federal discretionary funds
2 necessary to meet this need. Safety net funds shall be awarded by the
3 state safety net oversight committee subject to the following
4 conditions and limitations:

5 (a) The committee shall consider additional funds for districts
6 that can convincingly demonstrate that all legitimate expenditures for
7 special education exceed all available revenues from state funding
8 formulas. In the determination of need, the committee shall also
9 consider additional available revenues from federal sources.
10 Differences in program costs attributable to district philosophy,
11 service delivery choice, or accounting practices are not a legitimate
12 basis for safety net awards. In the determination of need, the
13 committee shall require that districts demonstrate that they are
14 maximizing their eligibility for all state revenues related to services
15 for special education-eligible students and all federal revenues from
16 federal impact aid, medicaid, and the individuals with disabilities
17 education act-Part B and appropriate special projects. Awards
18 associated with (b) and (c) of this subsection shall not exceed the
19 total of a district's specific determination of need.

20 (b) The committee shall then consider the extraordinary high cost
21 needs of one or more individual special education students.
22 Differences in costs attributable to district philosophy, service
23 delivery choice, or accounting practices are not a legitimate basis for
24 safety net awards.

25 (c) Using criteria developed by the committee, the committee shall
26 then consider extraordinary costs associated with communities that draw
27 a larger number of families with children in need of special education
28 services, which may include consideration of proximity to group homes,
29 military bases, and regional hospitals. Safety net awards under this
30 subsection (1)(c) shall be adjusted to reflect amounts awarded under
31 (b) of this subsection.

32 (d) The maximum allowable indirect cost for calculating safety net
33 eligibility may not exceed the federal restricted indirect cost rate
34 for the district plus one percent.

35 (e) Safety net awards shall be adjusted based on the percent of
36 potential medicaid eligible students billed as calculated by the
37 superintendent of public instruction in accordance with chapter 318,
38 Laws of 1999.

1 (f) Safety net awards must be adjusted for any audit findings or
2 exceptions related to special education funding.

3 (2) The superintendent of public instruction may adopt such rules
4 and procedures as are necessary to administer the special education
5 funding and safety net award process. Before revising any standards,
6 procedures, or rules, the superintendent shall consult with the office
7 of financial management and the fiscal committees of the legislature.
8 In adopting and revising the rules, the superintendent shall ensure the
9 application process to access safety net funding is streamlined,
10 timelines for submission are not in conflict, feedback to school
11 districts is timely and provides sufficient information to allow school
12 districts to understand how to correct any deficiencies in a safety net
13 application, and that there is consistency between awards approved by
14 school district and by application period. The office of the
15 superintendent of public instruction shall also provide technical
16 assistance to school districts in preparing and submitting special
17 education safety net applications.

18 (3) On an annual basis, the superintendent shall survey districts
19 regarding their satisfaction with the safety net process and consider
20 feedback from districts to improve the safety net process. Each year
21 by December 1st, the superintendent shall prepare and submit a report
22 to the office of financial management and the appropriate policy and
23 fiscal committees of the legislature that summarizes the survey results
24 and those changes made to the safety net process as a result of the
25 school district feedback.

26 (4) The safety net oversight committee appointed by the
27 superintendent of public instruction shall consist of:

28 (a) One staff member from the office of the superintendent of
29 public instruction;

30 (b) Staff of the office of the state auditor who shall be nonvoting
31 members of the committee; and

32 (c) One or more representatives from school districts or
33 educational service districts knowledgeable of special education
34 programs and funding.

35 **Sec. 110.** RCW 28A.150.380 and 2001 c 3 s 10 are each amended to
36 read as follows:

37 (1) The state legislature shall, at each regular session in an odd-

1 numbered year, appropriate (~~((from the state general fund))~~) for the
2 current use of the common schools such amounts as needed for state
3 support to (~~((the common schools))~~) school districts during the ensuing
4 biennium (~~((as provided in this chapter, RCW 28A.160.150 through~~
5 ~~28A.160.210, 28A.300.170, and 28A.500.010))~~) for the program of basic
6 education under RCW 28A.150.200.

7 (2) In addition to those state funds provided to school districts
8 for basic education, the legislature may appropriate funds to be
9 distributed to school districts for other factors and for other special
10 programs to enhance or enrich the program of basic education.

11 (3) The state legislature shall also, at each regular session in an
12 odd-numbered year, appropriate from the student achievement fund and
13 education construction fund solely for the purposes of and in
14 accordance with the provisions of the student achievement act during
15 the ensuing biennium.

16 **Sec. 111.** RCW 28A.230.090 and 2006 c 114 s 3 are each amended to
17 read as follows:

18 (1) The state board of education shall establish high school
19 graduation requirements or equivalencies for students, except those
20 equivalencies established by local high schools or school districts
21 under RCW 28A.230.097.

22 (a) Any course in Washington state history and government used to
23 fulfill high school graduation requirements shall consider including
24 information on the culture, history, and government of the American
25 Indian peoples who were the first inhabitants of the state.

26 (b) The certificate of academic achievement requirements under RCW
27 28A.655.061 or the certificate of individual achievement requirements
28 under RCW 28A.155.045 are required for graduation from a public high
29 school but are not the only requirements for graduation.

30 (c) Any decision on whether a student has met the state board's
31 high school graduation requirements for a high school and beyond plan
32 shall remain at the local level.

33 (2)(a) In recognition of the statutory authority of the state board
34 of education to establish and enforce minimum high school graduation
35 requirements, the state board shall periodically reevaluate the
36 graduation requirements and shall report such findings to the
37 legislature in a timely manner as determined by the state board.

1 **(b)** The state board shall reevaluate the graduation requirements
2 for students enrolled in vocationally intensive and rigorous career and
3 technical education programs, particularly those programs that lead to
4 a certificate or credential that is state or nationally recognized.
5 The purpose of the evaluation is to ensure that students enrolled in
6 these programs have sufficient opportunity to earn a certificate of
7 academic achievement, complete the program and earn the program's
8 certificate or credential, and complete other state and local
9 graduation requirements. ~~((The board shall reports [report] its
10 findings and recommendations for additional flexibility in graduation
11 requirements, if necessary, to the legislature by December 1, 2007.))~~

12 **(c)** The state board shall forward any proposed changes to the high
13 school graduation requirements to the education committees of the
14 legislature for review and to the quality education council established
15 under section 114 of this act. The legislature shall have the
16 opportunity to act during a regular legislative session before the
17 changes are adopted through administrative rule by the state board.
18 Changes that have a fiscal impact on school districts, as identified by
19 a fiscal analysis prepared by the office of the superintendent of
20 public instruction, shall take effect only if formally authorized and
21 funded by the legislature through the omnibus appropriations act or
22 other enacted legislation.

23 (3) Pursuant to any requirement for instruction in languages other
24 than English established by the state board of education or a local
25 school district, or both, for purposes of high school graduation,
26 students who receive instruction in American sign language or one or
27 more American Indian languages shall be considered to have satisfied
28 the state or local school district graduation requirement for
29 instruction in one or more languages other than English.

30 (4) If requested by the student and his or her family, a student
31 who has completed high school courses before attending high school
32 shall be given high school credit which shall be applied to fulfilling
33 high school graduation requirements if:

34 (a) The course was taken with high school students, if the academic
35 level of the course exceeds the requirements for seventh and eighth
36 grade classes, and the student has successfully passed by completing
37 the same course requirements and examinations as the high school
38 students enrolled in the class; or

1 (b) The academic level of the course exceeds the requirements for
2 seventh and eighth grade classes and the course would qualify for high
3 school credit, because the course is similar or equivalent to a course
4 offered at a high school in the district as determined by the school
5 district board of directors.

6 (5) Students who have taken and successfully completed high school
7 courses under the circumstances in subsection (4) of this section shall
8 not be required to take an additional competency examination or perform
9 any other additional assignment to receive credit.

10 (6) At the college or university level, five quarter or three
11 semester hours equals one high school credit.

12 NEW SECTION. **Sec. 112.** (1) The legislature intends to continue to
13 redefine the instructional program of education under RCW 28A.150.220
14 that fulfills the obligations and requirements of Article IX of the
15 state Constitution. The funding formulas under RCW 28A.150.260 to
16 support the instructional program shall be implemented to the extent
17 the technical details of the formula have been established and
18 according to an implementation schedule to be adopted by the
19 legislature. The object of the schedule is to assure that any
20 increases in funding allocations are timely, predictable, and occur
21 concurrently with any increases in program or instructional
22 requirements. It is the intent of the legislature that no increased
23 programmatic or instructional expectations be imposed upon schools or
24 school districts without an accompanying increase in resources as
25 necessary to support those increased expectations.

26 (2) The office of financial management, with assistance and support
27 from the office of the superintendent of public instruction, shall
28 convene a technical working group to:

29 (a) Develop the details of the funding formulas under RCW
30 28A.150.260;

31 (b) Recommend to the legislature an implementation schedule for
32 phasing-in any increased program or instructional requirements
33 concurrently with increases in funding for adoption by the legislature;
34 and

35 (c) Examine possible sources of revenue to support increases in
36 funding allocations and present options to the legislature and the

1 quality education council created in section 114 of this act for
2 consideration.

3 (3) The working group shall include representatives of the
4 legislative evaluation and accountability program committee, school
5 district and educational service district financial managers, the
6 Washington association of school business officers, the Washington
7 education association, the Washington association of school
8 administrators, the association of Washington school principals, the
9 Washington state school directors' association, the public school
10 employees of Washington, and other interested stakeholders with
11 expertise in education finance. The working group may convene advisory
12 subgroups on specific topics as necessary to assure participation and
13 input from a broad array of diverse stakeholders.

14 (4) The working group shall be monitored and overseen by the
15 legislature and the quality education council established in section
16 114 of this act. The working group shall submit its recommendations to
17 the legislature by December 1, 2009.

18 NEW SECTION. **Sec. 113.** A new section is added to chapter 28A.300
19 RCW to read as follows:

20 (1) As part of the estimates and information submitted to the
21 governor by the superintendent of public instruction under RCW
22 28A.300.170, the superintendent of public instruction shall biennially
23 make determinations on the educational system's capacity to accommodate
24 increased resources in relation to the elements in the prototypical
25 funding allocation model. In areas where there are specific and
26 significant capacity limitations to providing enhancements to a
27 recommended element, the superintendent of public instruction shall
28 identify those limitations and make recommendations on how to address
29 the issue.

30 (2) The legislature shall:

31 (a) Review the recommendations of the superintendent of public
32 instruction submitted under subsection (1) of this section; and

33 (b) Use the information as it continues to review, evaluate, and
34 revise the definition and funding of basic education in a manner that
35 serves the educational needs of the citizen's of Washington; continues
36 to fulfill the state's obligation under Article IX of the state

1 Constitution and ensures that no enhancements are imposed on the
2 educational system that cannot be accommodated by the existing system
3 capacity.

4 (3) "System capacity" for purposes of this section includes, but is
5 not limited to, the ability of schools and districts to provide the
6 capital facilities necessary to support a particular instructional
7 program, the staffing levels necessary to support an instructional
8 program both in terms of actual numbers of staff as well as the
9 experience level and types of staff available to fill positions, the
10 higher education systems capacity to prepare the next generation of
11 educators, and the availability of data and a data system capable of
12 helping the state allocate its resources in a manner consistent with
13 evidence-based practices that are shown to improve student learning.

14 (4) The office of the superintendent of public instruction shall
15 report to the legislature on a biennial basis beginning December 1,
16 2010.

17 NEW SECTION. **Sec. 114.** (1) The quality education council is
18 created to recommend and inform the ongoing implementation by the
19 legislature of an evolving program of basic education and the financing
20 necessary to support such program. The council shall develop strategic
21 recommendations on the program of basic education for the common
22 schools. The council shall take into consideration the capacity report
23 produced under section 113 of this act and the availability of data and
24 progress of implementing the data systems required under section 202 of
25 this act. Any recommendations for modifications to the program of
26 basic education shall be based on evidence that the programs
27 effectively support student learning. The council shall update the
28 statewide strategic recommendations every four years. The
29 recommendations of the council are intended to:

30 (a) Inform future educational policy and funding decisions of the
31 legislature and governor;

32 (b) Identify measurable goals and priorities for the educational
33 system in Washington state for a ten-year time period, including the
34 goals of basic education and ongoing strategies for coordinating
35 statewide efforts to eliminate the achievement gap and reduce student
36 dropout rates; and

1 (c) Enable the state of Washington to continue to implement an
2 evolving program of basic education.

3 (2) The council may request updates and progress reports from the
4 office of the superintendent of public instruction, the state board of
5 education, the professional educator standards board, and the
6 department of early learning on the work of the agencies as well as
7 educational working groups established by the legislature.

8 (3) The chair of the council shall be selected from the
9 councilmembers. The council shall be composed of the following
10 members:

11 (a) Four members of the house of representatives, with two members
12 representing each of the major caucuses and appointed by the speaker of
13 the house of representatives;

14 (b) Four members of the senate, with two members representing each
15 of the major caucuses and appointed by the president of the senate; and

16 (c) One representative each from the office of the governor, office
17 of the superintendent of public instruction, state board of education,
18 professional educator standards board, and department of early
19 learning.

20 (4) In the 2009 fiscal year, the council shall meet as often as
21 necessary as determined by the chair. In subsequent years, the council
22 shall meet no more than four times a year.

23 (5)(a) The council shall submit an initial report to the governor
24 and the legislature by January 1, 2010, detailing its recommendations,
25 including recommendations for resolving issues or decisions requiring
26 legislative action during the 2010 legislative session, and
27 recommendations for any funding necessary to continue development and
28 implementation of chapter, Laws of 2009 (this act).

29 (b) The initial report shall, at a minimum, include:

30 (i) Consideration of how to establish a statewide beginning teacher
31 mentoring and support system;

32 (ii) Recommendations for a program of early learning for at-risk
33 children;

34 (iii) A recommended schedule for the concurrent phase-in of the
35 changes to the instructional program of basic education and the
36 implementation of the funding formulas and allocations to support the
37 new instructional program of basic education as established under

1 chapter, Laws of 2009 (this act). The phase-in schedule shall
2 have full implementation completed by September 1, 2018; and

3 (iv) A recommended schedule for phased-in implementation of the new
4 distribution formula for allocating state funds to school districts for
5 the transportation of students to and from school, with phase-in
6 beginning no later than September 1, 2013.

7 (6) The council shall be staffed by the office of the
8 superintendent of public instruction and the office of financial
9 management. Additional staff support shall be provided by the state
10 entities with representatives on the committee. Senate committee
11 services and the house of representatives office of program research
12 may provide additional staff support.

13 (7) Legislative members of the council shall serve without
14 additional compensation but may be reimbursed for travel expenses in
15 accordance with RCW 44.04.120 while attending sessions of the council
16 or on official business authorized by the council. Nonlegislative
17 members of the council may be reimbursed for travel expenses in
18 accordance with RCW 43.03.050 and 43.03.060.

19 ****NEW SECTION. Sec. 115. (1) The legislature finds that a critical***
20 ***factor in the eventual successful outcome of a K-12 education is for***
21 ***students to begin school ready, both intellectually and socially, to***
22 ***learn. The legislature also finds that, due to a variety of factors,***
23 ***disadvantaged young children need supplemental instruction in preschool***
24 ***to assure that they have the opportunity to meaningfully participate***
25 ***and reach the necessary levels of achievement in the regular program of***
26 ***basic education. Therefore the legislature intends to establish a***
27 ***program of early learning for at-risk children and intends to include***
28 ***this program within the overall program of basic education.***

29 (2) ***The office of the superintendent of public instruction, with***
30 ***the support and assistance from the department of early learning, shall***
31 ***convene a working group to develop the basic education program of early***
32 ***learning. The early learning working group shall be composed of***
33 ***representatives from head start and early childhood education and***
34 ***assistance program providers, school districts, thrive by five***
35 ***Washington, and other stakeholders with expertise in early learning.***
36 ***The working group may convene advisory subgroups on specific topics as***

1 necessary to assure participation and input from a broad array of
2 diverse stakeholders.

3 (3) The early learning working group shall continue the preliminary
4 work of the department of early learning under RCW 43.215.125 to
5 develop a proposal for a statewide Washington head start program. The
6 working group shall:

7 (a) Recommend student eligibility criteria that focus on children
8 age three and four considered most at-risk;

9 (b) Develop options for a service delivery system that includes
10 school districts, educational service districts, community and
11 technical colleges, and public and private nonsectarian organizations;

12 (c) Develop options for shared governance that include the
13 superintendent of public instruction and the department of early
14 learning each with appropriate supervisory and administrative
15 responsibilities;

16 (d) Develop recommended parameters and minimum standards for the
17 program; and

18 (e) Continue development of a statewide kindergarten assessment
19 process.

20 (4) The early learning working group shall be monitored and
21 overseen by the quality education council established in section 114 of
22 this act and shall submit progress reports to the council by September
23 1, 2010, and September 1, 2011, with a final report by September 1,
24 2012.

*Sec. 115 was vetoed. See message at end of chapter.

25 PART II

26 EDUCATION DATA IMPROVEMENT SYSTEM

27 **Sec. 201.** RCW 43.41.400 and 2007 c 401 s 3 are each amended to
28 read as follows:

29 (1) An education data center shall be established in the office of
30 financial management. The education data center shall jointly, with
31 the legislative ((education — {evaluation})) evaluation and
32 accountability program committee, conduct collaborative analyses of
33 early learning, K-12, and higher education programs and education
34 issues across the P-20 system, which includes the department of early
35 learning, the superintendent of public instruction, the professional
36 educator standards board, the state board of education, the state board

1 for community and technical colleges, the workforce training and
2 education coordinating board, the higher education coordinating board,
3 public and private nonprofit four-year institutions of higher
4 education, and the employment security department. The education data
5 center shall conduct collaborative analyses under this section with the
6 legislative evaluation and accountability program committee and provide
7 data electronically to the legislative evaluation and accountability
8 program committee, to the extent permitted by state and federal
9 confidentiality requirements. The education data center shall be
10 considered an authorized representative of the state educational
11 agencies in this section under applicable federal and state statutes
12 for purposes of accessing and compiling student record data for
13 research purposes.

14 (2) The education data center shall:

15 (a) In consultation with the legislative evaluation and
16 accountability program committee and the agencies and organizations
17 participating in the education data center, identify the critical
18 research and policy questions that are intended to be addressed by the
19 education data center and the data needed to address the questions;

20 (b) Coordinate with other state education agencies to compile and
21 analyze education data, including data on student demographics that is
22 disaggregated by distinct ethnic categories within racial subgroups,
23 and complete P-20 research projects;

24 ~~((b))~~ (c) Collaborate with the legislative evaluation and
25 accountability program committee and the education and fiscal
26 committees of the legislature in identifying the data to be compiled
27 and analyzed to ensure that legislative interests are served;

28 ~~((e))~~ (d) Annually provide to the K-12 data governance group a
29 list of data elements and data quality improvements that are necessary
30 to answer the research and policy questions identified by the education
31 data center and have been identified by the legislative committees in
32 (c) of this subsection. Within three months of receiving the list, the
33 K-12 data governance group shall develop and transmit to the education
34 data center a feasibility analysis of obtaining or improving the data,
35 including the steps required, estimated time frame, and the financial
36 and other resources that would be required. Based on the analysis,
37 the education data center shall submit, if necessary, a recommendation

1 to the legislature regarding any statutory changes or resources that
2 would be needed to collect or improve the data;

3 (e) Monitor and evaluate the education data collection systems of
4 the organizations and agencies represented in the education data center
5 ensuring that data systems are flexible, able to adapt to evolving
6 needs for information, and to the extent feasible and necessary,
7 include data that are needed to conduct the analyses and provide
8 answers to the research and policy questions identified in (a) of this
9 subsection;

10 (f) Track enrollment and outcomes through the public centralized
11 higher education enrollment system;

12 ~~((d))~~ (g) Assist other state educational agencies' collaborative
13 efforts to develop a long-range enrollment plan for higher education
14 including estimates to meet demographic and workforce needs; ~~(and~~

15 ~~(e))~~ (h) Provide research that focuses on student transitions
16 within and among the early learning, K-12, and higher education sectors
17 in the P-20 system; and

18 (i) Make recommendations to the legislature as necessary to help
19 ensure the goals and objectives of this section and sections 202 and
20 203 of this act are met.

21 (3) The department of early learning, superintendent of public
22 instruction, professional educator standards board, state board of
23 education, state board for community and technical colleges, workforce
24 training and education coordinating board, higher education
25 coordinating board, public four-year institutions of higher education,
26 and employment security department shall work with the education data
27 center to develop data-sharing and research agreements, consistent with
28 applicable security and confidentiality requirements, to facilitate the
29 work of the center. Private, nonprofit institutions of higher
30 education that provide programs of education beyond the high school
31 level leading at least to the baccalaureate degree and are accredited
32 by the Northwest association of schools and colleges or their peer
33 accreditation bodies may also develop data-sharing and research
34 agreements with the education data center, consistent with applicable
35 security and confidentiality requirements. The education data center
36 shall make data from collaborative analyses available to the education
37 agencies and institutions that contribute data to the education data

1 center to the extent allowed by federal and state security and
2 confidentiality requirements applicable to the data of each
3 contributing agency or institution.

4 NEW SECTION. **Sec. 202.** A new section is added to chapter 28A.655
5 RCW to read as follows:

6 (1) It is the legislature's intent to establish a comprehensive K-
7 12 education data improvement system for financial, student, and
8 educator data. The objective of the system is to monitor student
9 progress, have information on the quality of the educator workforce,
10 monitor and analyze the costs of programs, provide for financial
11 integrity and accountability, and have the capability to link across
12 these various data components by student, by class, by teacher, by
13 school, by district, and statewide. Education data systems must be
14 flexible and able to adapt to evolving needs for information, but there
15 must be an objective and orderly data governance process for
16 determining when changes are needed and how to implement them. It is
17 the further intent of the legislature to provide independent review and
18 evaluation of a comprehensive K-12 education data improvement system by
19 assigning the review and monitoring responsibilities to the education
20 data center and the legislative evaluation and accountability program
21 committee.

22 (2) It is the intent that the data system specifically service
23 reporting requirements for teachers, parents, superintendents, school
24 boards, the legislature, the office of the superintendent of public
25 instruction, and the public.

26 (3) It is the legislature's intent that the K-12 education data
27 improvement system used by school districts and the state include but
28 not be limited to the following information and functionality:

29 (a) Comprehensive educator information, including grade level and
30 courses taught, building or location, program, job assignment, years of
31 experience, the institution of higher education from which the educator
32 obtained his or her degree, compensation, class size, mobility of class
33 population, socioeconomic data of class, number of languages and which
34 languages are spoken by students, general resources available for
35 curriculum and other classroom needs, and number and type of
36 instructional support staff in the building;

1 (b) The capacity to link educator assignment information with
2 educator certification information such as certification number, type
3 of certification, route to certification, certification program, and
4 certification assessment or evaluation scores;

5 (c) Common coding of secondary courses and major areas of study at
6 the elementary level or standard coding of course content;

7 (d) Robust student information, including but not limited to
8 student characteristics, course and program enrollment, performance on
9 statewide and district summative and formative assessments to the
10 extent district assessments are used, and performance on college
11 readiness tests;

12 (e) A subset of student information elements to serve as a dropout
13 early warning system;

14 (f) The capacity to link educator information with student
15 information;

16 (g) A common, standardized structure for reporting the costs of
17 programs at the school and district level with a focus on the cost of
18 services delivered to students;

19 (h) Separate accounting of state, federal, and local revenues and
20 costs;

21 (i) Information linking state funding formulas to school district
22 budgeting and accounting, including procedures:

23 (i) To support the accuracy and auditing of financial data; and

24 (ii) Using the prototypical school model for school district
25 financial accounting reporting;

26 (j) The capacity to link program cost information with student
27 performance information to gauge the cost-effectiveness of programs;

28 (k) Information that is centrally accessible and updated regularly;
29 and

30 (l) An anonymous, nonidentifiable replicated copy of data that is
31 updated at least quarterly, and made available to the public by the
32 state.

33 (4) It is the legislature's goal that all school districts have the
34 capability to collect state-identified common data and export it in a
35 standard format to support a statewide K-12 education data improvement
36 system under this section.

37 (5) It is the legislature's intent that the K-12 education data

1 improvement system be developed to provide the capability to make
2 reports as required under section 203 of this act available.

3 (6) It is the legislature's intent that school districts collect
4 and report new data elements to satisfy the requirements of RCW
5 43.41.400, this section, and section 203 of this act, only to the
6 extent funds are available for this purpose.

7 NEW SECTION. **Sec. 203.** A new section is added to chapter 28A.300
8 RCW to read as follows:

9 (1) A K-12 data governance group shall be established within the
10 office of the superintendent of public instruction to assist in the
11 design and implementation of a K-12 education data improvement system
12 for financial, student, and educator data. It is the intent that the
13 data system reporting specifically serve requirements for teachers,
14 parents, superintendents, school boards, the office of the
15 superintendent of public instruction, the legislature, and the public.

16 (2) The K-12 data governance group shall include representatives of
17 the education data center, the office of the superintendent of public
18 instruction, the legislative evaluation and accountability program
19 committee, the professional educator standards board, the state board
20 of education, and school district staff, including information
21 technology staff. Additional entities with expertise in education data
22 may be included in the K-12 data governance group.

23 (3) The K-12 data governance group shall:

24 (a) Identify the critical research and policy questions that need
25 to be addressed by the K-12 education data improvement system;

26 (b) Identify reports and other information that should be made
27 available on the internet in addition to the reports identified in
28 subsection (5) of this section;

29 (c) Create a comprehensive needs requirement document detailing the
30 specific information and technical capacity needed by school districts
31 and the state to meet the legislature's expectations for a
32 comprehensive K-12 education data improvement system as described under
33 section 202 of this act;

34 (d) Conduct a gap analysis of current and planned information
35 compared to the needs requirement document, including an analysis of
36 the strengths and limitations of an education data system and programs
37 currently used by school districts and the state, and specifically the

1 gap analysis must look at the extent to which the existing data can be
2 transformed into canonical form and where existing software can be used
3 to meet the needs requirement document;

4 (e) Focus on financial and cost data necessary to support the new
5 K-12 financial models and funding formulas, including any necessary
6 changes to school district budgeting and accounting, and on assuring
7 the capacity to link data across financial, student, and educator
8 systems; and

9 (f) Define the operating rules and governance structure for K-12
10 data collections, ensuring that data systems are flexible and able to
11 adapt to evolving needs for information, within an objective and
12 orderly data governance process for determining when changes are needed
13 and how to implement them. Strong consideration must be made to the
14 current practice and cost of migration to new requirements. The
15 operating rules should delineate the coordination, delegation, and
16 escalation authority for data collection issues, business rules, and
17 performance goals for each K-12 data collection system, including:

18 (i) Defining and maintaining standards for privacy and
19 confidentiality;

20 (ii) Setting data collection priorities;

21 (iii) Defining and updating a standard data dictionary;

22 (iv) Ensuring data compliance with the data dictionary;

23 (v) Ensuring data accuracy; and

24 (vi) Establishing minimum standards for school, student, financial,
25 and teacher data systems. Data elements may be specified "to the
26 extent feasible" or "to the extent available" to collect more and
27 better data sets from districts with more flexible software. Nothing
28 in RCW 43.41.400, this section, or section 202 of this act should be
29 construed to require that a data dictionary or reporting should be
30 hobbled to the lowest common set. The work of the K-12 data
31 governance group must specify which data are desirable. Districts that
32 can meet these requirements shall report the desirable data. Funding
33 from the legislature must establish which subset data are absolutely
34 required.

35 (4)(a) The K-12 data governance group shall provide updates on its
36 work as requested by the education data center and the legislative
37 evaluation and accountability program committee.

1 (b) The work of the K-12 data governance group shall be
2 periodically reviewed and monitored by the educational data center and
3 the legislative evaluation and accountability program committee.

4 (5) To the extent data is available, the office of the
5 superintendent of public instruction shall make the following minimum
6 reports available on the internet. The reports must either be run on
7 demand against current data, or, if a static report, must have been run
8 against the most recent data:

9 (a) The percentage of data compliance and data accuracy by school
10 district;

11 (b) The magnitude of spending per student, by student estimated by
12 the following algorithm and reported as the detailed summation of the
13 following components:

14 (i) An approximate, prorated fraction of each teacher or human
15 resource element that directly serves the student. Each human resource
16 element must be listed or accessible through online tunneling in the
17 report;

18 (ii) An approximate, prorated fraction of classroom or building
19 costs used by the student;

20 (iii) An approximate, prorated fraction of transportation costs
21 used by the student; and

22 (iv) An approximate, prorated fraction of all other resources
23 within the district. District-wide components should be disaggregated
24 to the extent that it is sensible and economical;

25 (c) The cost of K-12 basic education, per student, by student, by
26 school district, estimated by the algorithm in (b) of this subsection,
27 and reported in the same manner as required in (b) of this subsection;

28 (d) The cost of K-12 special education services per student, by
29 student receiving those services, by school district, estimated by the
30 algorithm in (b) of this subsection, and reported in the same manner as
31 required in (b) of this subsection;

32 (e) Improvement on the statewide assessments computed as both a
33 percentage change and absolute change on a scale score metric by
34 district, by school, and by teacher that can also be filtered by a
35 student's length of full-time enrollment within the school district;

36 (f) Number of K-12 students per classroom teacher on a per teacher
37 basis;

1 (g) Number of K-12 classroom teachers per student on a per student
2 basis;

3 (h) Percentage of a classroom teacher per student on a per student
4 basis; and

5 (i) The cost of K-12 education per student by school district
6 sorted by federal, state, and local dollars.

7 (6) The superintendent of public instruction shall submit a
8 preliminary report to the legislature by November 15, 2009, including
9 the analyses by the K-12 data governance group under subsection (3) of
10 this section and preliminary options for addressing identified gaps.
11 A final report, including a proposed phase-in plan and preliminary cost
12 estimates for implementation of a comprehensive data improvement system
13 for financial, student, and educator data shall be submitted to the
14 legislature by September 1, 2010.

15 (7) All reports and data referenced in this section, RCW 43.41.400,
16 and section 202 of this act shall be made available in a manner
17 consistent with the technical requirements of the legislative
18 evaluation and accountability program committee and the education data
19 center so that selected data can be provided to the legislature,
20 governor, school districts, and the public.

21 (8) Reports shall contain data to the extent it is available. All
22 reports must include documentation of which data are not available or
23 are estimated. Reports must not be suppressed because of poor data
24 accuracy or completeness. Reports may be accompanied with
25 documentation to inform the reader of why some data are missing or
26 inaccurate or estimated.

27 NEW SECTION. **Sec. 204.** A new section is added to chapter 43.41
28 RCW to read as follows:

29 The education data center and the superintendent of public
30 instruction shall take all actions necessary to secure federal funds to
31 implement sections 201 through 203 of this act.

32 **PART III**
33 **OTHER EDUCATIONAL PROVISIONS**

34 NEW SECTION. **Sec. 301.** A new section is added to chapter 28A.500
35 RCW to read as follows:

1 (1) The legislature finds that while the state has the
2 responsibility to provide for a general and uniform system of public
3 schools, there is also a need for some diversity in the public school
4 system. A successful system of public education must permit some
5 variation among school districts outside the basic education provided
6 for by the state to respond to and reflect the unique desires of local
7 communities. The opportunity for local communities to invest in
8 enriched education programs promotes support for local public schools.
9 Further, the ability of local school districts to experiment with
10 enriched programs can inform the legislature's long-term evolution of
11 the definition of basic education. Therefore, local levy authority
12 remains an important component of the overall finance system in support
13 of the public schools even though it is outside the state's obligation
14 for basic education.

15 (2) However, the value of permitting local levies must be balanced
16 with the value of equity and fairness to students and to taxpayers,
17 neither of whom should be unduly disadvantaged due to differences in
18 the tax bases used to support local levies. Equity and fairness
19 require both an equitable basis for supplemental funding outside basic
20 education and a mechanism for property tax-poor school districts to
21 fairly access supplemental funding. As such, local effort assistance,
22 while also outside the state's obligation for basic education, is
23 another important component of school finance.

24 NEW SECTION. Sec. 302. (1) Beginning July 1, 2010, the office of
25 financial management, with assistance and support from the office of
26 the superintendent of public instruction, shall convene a technical
27 working group to develop options for a new system of supplemental
28 school funding through local school levies and local effort assistance.

29 (2) The working group shall consider the impact on overall school
30 district revenues of the new basic education funding system established
31 under this act and shall recommend a phase-in plan that ensures that no
32 school district suffers a decrease in funding from one school year to
33 the next due to implementation of the new system of supplemental
34 funding.

35 (3) The working group shall be composed of representatives from the
36 department of revenue, the legislative evaluation and accountability
37 program committee, school district and educational service district

1 financial managers, and representatives of the Washington association
2 of school business officers, the Washington education association, the
3 Washington association of school administrators, the association of
4 Washington school principals, the Washington state school directors'
5 association, the public school employees of Washington, and other
6 interested stakeholders with expertise in education finance. The
7 working group may convene advisory subgroups on specific topics as
8 necessary to assure participation and input from a broad array of
9 diverse stakeholders.

10 (4) The local funding working group shall be monitored and overseen
11 by the legislature and by the quality education council created in
12 section 114 of this act. The working group shall report to the
13 legislature December 1, 2011.

14 **Sec. 303.** RCW 28A.195.010 and 2004 c 19 s 106 are each amended to
15 read as follows:

16 The legislature hereby recognizes that private schools should be
17 subject only to those minimum state controls necessary to insure the
18 health and safety of all the students in the state and to insure a
19 sufficient basic education to meet usual graduation requirements. The
20 state, any agency or official thereof, shall not restrict or dictate
21 any specific educational or other programs for private schools except
22 as hereinafter in this section provided.

23 Principals of private schools or superintendents of private school
24 districts shall file each year with the state superintendent of public
25 instruction a statement certifying that the minimum requirements
26 hereinafter set forth are being met, noting any deviations. After
27 review of the statement, the state superintendent will notify schools
28 or school districts of those deviations which must be corrected. In
29 case of major deviations, the school or school district may request and
30 the state board of education may grant provisional status for one year
31 in order that the school or school district may take action to meet the
32 requirements. The state board of education shall not require private
33 school students to meet the student learning goals, obtain a
34 certificate of academic achievement, or a certificate of individual
35 achievement to graduate from high school, to master the essential
36 academic learning requirements, or to be assessed pursuant to RCW
37 28A.655.061. However, private schools may choose, on a voluntary

1 basis, to have their students master these essential academic learning
2 requirements, take the assessments, and obtain a certificate of
3 academic achievement or a certificate of individual achievement.
4 Minimum requirements shall be as follows:

5 (1) The minimum school year for instructional purposes shall
6 consist of no less than one hundred eighty school days or the
7 equivalent in annual minimum (~~(program)~~) instructional hour offerings
8 (~~(as prescribed in RCW 28A.150.220)~~), with a school-wide annual average
9 total instructional hour offering of one thousand hours for students
10 enrolled in grades one through twelve, and at least four hundred fifty
11 hours for students enrolled in kindergarten.

12 (2) The school day shall be the same as (~~(that required in RCW~~
13 ~~28A.150.030 and 28A.150.220, except that the percentages of total~~
14 ~~program hour offerings as prescribed in RCW 28A.150.220 for basic~~
15 ~~skills, work skills, and optional subjects and activities shall not~~
16 ~~apply to private schools or private sectarian schools)~~) defined in
17 section 102 of this act.

18 (3) All classroom teachers shall hold appropriate Washington state
19 certification except as follows:

20 (a) Teachers for religious courses or courses for which no
21 counterpart exists in public schools shall not be required to obtain a
22 state certificate to teach those courses.

23 (b) In exceptional cases, people of unusual competence but without
24 certification may teach students so long as a certified person
25 exercises general supervision. Annual written statements shall be
26 submitted to the office of the superintendent of public instruction
27 reporting and explaining such circumstances.

28 (4) An approved private school may operate an extension program for
29 parents, guardians, or persons having legal custody of a child to teach
30 children in their custody. The extension program shall require at a
31 minimum that:

32 (a) The parent, guardian, or custodian be under the supervision of
33 an employee of the approved private school who is certified under
34 chapter 28A.410 RCW;

35 (b) The planning by the certified person and the parent, guardian,
36 or person having legal custody include objectives consistent with this
37 subsection and subsections (1), (2), (5), (6), and (7) of this section;

1 (c) The certified person spend a minimum average each month of one
2 contact hour per week with each student under his or her supervision
3 who is enrolled in the approved private school extension program;

4 (d) Each student's progress be evaluated by the certified person;
5 and

6 (e) The certified employee shall not supervise more than thirty
7 students enrolled in the approved private school's extension program.

8 (5) Appropriate measures shall be taken to safeguard all permanent
9 records against loss or damage.

10 (6) The physical facilities of the school or district shall be
11 adequate to meet the program offered by the school or district:
12 PROVIDED, That each school building shall meet reasonable health and
13 fire safety requirements. A residential dwelling of the parent,
14 guardian, or custodian shall be deemed to be an adequate physical
15 facility when a parent, guardian, or person having legal custody is
16 instructing his or her child under subsection (4) of this section.

17 (7) Private school curriculum shall include instruction of the
18 basic skills of occupational education, science, mathematics, language,
19 social studies, history, health, reading, writing, spelling, and the
20 development of appreciation of art and music, all in sufficient units
21 for meeting state board of education graduation requirements.

22 (8) Each school or school district shall be required to maintain
23 up-to-date policy statements related to the administration and
24 operation of the school or school district.

25 All decisions of policy, philosophy, selection of books, teaching
26 material, curriculum, except as in subsection (7) of this section
27 provided, school rules and administration, or other matters not
28 specifically referred to in this section, shall be the responsibility
29 of the administration and administrators of the particular private
30 school involved.

31 **Sec. 304.** RCW 28A.160.150 and 1996 c 279 s 1 are each amended to
32 read as follows:

33 Funds allocated for transportation costs, except for funds provided
34 for transportation and transportation services to and from school shall
35 be in addition to the basic education allocation. The distribution
36 formula developed in RCW 28A.160.150 through 28A.160.180 shall be for
37 allocation purposes only and shall not be construed as mandating

1 specific levels of pupil transportation services by local districts.
2 Operating costs as determined under RCW 28A.160.150 through 28A.160.180
3 shall be funded at one hundred percent or as close thereto as
4 reasonably possible for transportation of an eligible student to and
5 from school as defined in RCW 28A.160.160(3). In addition, funding
6 shall be provided for transportation services for students living
7 within (~~one radius mile from school~~) the walk area as determined
8 under RCW (~~28A.160.180(2)~~) 28A.160.160(5).

9 **Sec. 305.** RCW 28A.160.160 and 1996 c 279 s 2 are each amended to
10 read as follows:

11 For purposes of RCW 28A.160.150 through 28A.160.190, except where
12 the context shall clearly indicate otherwise, the following definitions
13 apply:

14 (1) "Eligible student" means any student served by the
15 transportation program of a school district or compensated for
16 individual transportation arrangements authorized by RCW 28A.160.030
17 whose route stop is (~~more than one radius mile from the~~) outside the
18 walk_area_for_a student's school, except if the student to be
19 transported is disabled under RCW 28A.155.020 and is either not
20 ambulatory or not capable of protecting his or her own welfare while
21 traveling to or from the school or agency where special education
22 services are provided, in which case no mileage distance restriction
23 applies.

24 (2) "Superintendent" means the superintendent of public
25 instruction.

26 (3) "To and from school" means the transportation of students for
27 the following purposes:

- 28 (a) Transportation to and from route stops and schools;
- 29 (b) Transportation to and from schools pursuant to an interdistrict
30 agreement pursuant to RCW 28A.335.160;
- 31 (c) Transportation of students between schools and learning centers
32 for instruction specifically required by statute; and
- 33 (d) Transportation of students with disabilities to and from
34 schools and agencies for special education services.

35 Academic extended day transportation for the instructional program
36 of basic education under RCW 28A.150.220 shall (~~not~~) be considered
37 part of transportation of students "to and from school" for the

1 purposes of (~~chapter 61, Laws of 1983 1st ex. sess~~) this section.
2 Transportation for field trips may not be considered part of
3 transportation of students "to and from school" under this section.

4 (4) "Transportation services" for students living within (~~one~~
5 ~~radius mile from school means school transportation services including~~
6 ~~the use of buses,~~) the walk area includes the coordination of walk-to-
7 school programs, the funding of crossing guards, and matching funds for
8 local and state transportation projects intended to mitigate hazardous
9 walking conditions. Priority for transportation services shall be
10 given to students in grades kindergarten through five.

11 (5) As used in this section, "walk area" means that area around a
12 school with an adequate roadway configuration to provide students
13 access to school with a walking distance of less than one mile.
14 Mileage must be measured along the shortest roadway or maintained
15 public walkway where hazardous conditions do not exist. The hazardous
16 conditions must be documented by a process established in rule by the
17 superintendent of public instruction and must include roadway,
18 environmental, and social conditions. Each elementary school shall
19 identify walk routes within the walk area.

20 **Sec. 306.** RCW 28A.160.170 and 2007 c 139 s 1 are each amended to
21 read as follows:

22 Each district shall submit three times each year to the
23 superintendent of public instruction during October, February, and May
24 of each year a report containing the following:

25 (1)(a) The number of eligible students transported to and from
26 school as provided for in RCW 28A.160.150 (~~for the current school year~~
27 ~~and the number of miles estimated to be driven for pupil transportation~~
28 ~~services)), along with (~~a map describing student route~~)
29 identification of stop locations and school locations, and (b) the
30 number of miles driven for pupil transportation services as authorized
31 in RCW 28A.160.150 the previous school year; and~~

32 (2) Other operational data and descriptions as required by the
33 superintendent to determine allocation requirements for each district.
34 The superintendent shall require that districts separate the costs of
35 operating the program for the transportation of eligible students to
36 and from school as defined by RCW 28A.160.160(3) from non-to-and-from-
37 school pupil transportation costs in the annual financial statement.

1 The cost, quantity, and type of all fuel purchased by school districts
2 for use in to-and-from-school transportation shall be included in the
3 annual financial statement.

4 Each district shall submit the information required in this section
5 on a timely basis as a condition of the continuing receipt of school
6 transportation moneys.

7 **Sec. 307.** RCW 28A.160.180 and 1996 c 279 s 3 are each amended to
8 read as follows:

9 Each district's annual student transportation allocation shall be
10 ~~((based on differential rates))~~ determined by the superintendent of
11 public instruction in the following manner:

12 (1) The superintendent shall annually calculate ~~((a standard~~
13 ~~student-mile-allocation-rate-for-determining))~~ the transportation
14 allocation for those services provided for in RCW 28A.160.150.
15 ~~("Standard student-mile-allocation-rate," as used in this chapter,~~
16 ~~means the per-mile-allocation-rate-for-transporting-an-eligible~~
17 ~~student.))~~ The ~~((standard student-mile))~~ allocation ~~((rate))~~ formula
18 may be adjusted to include such additional differential factors as
19 ~~((distance; restricted))~~ basic and special passenger ~~((load;~~
20 ~~circumstances-that-require-use-of-special-types-of-transportation~~
21 ~~vehicles; student with disabilities load; and small fleet maintenance))~~
22 counts as defined by the superintendent of public instruction, average
23 distance to school, and number of locations served.

24 (2) ~~((For transportation services for students living within one~~
25 ~~radius-mile-from-school,))~~ The allocation shall be based on a
26 regression analysis of the number of basic and special students ~~((in~~
27 ~~grades-kindergarten-through-five-living-within-one-radius-mile-as~~
28 ~~specified in the biennial appropriations act))~~ transported and as many
29 other site characteristics that are identified as being statistically
30 significant.

31 (3) ~~((The superintendent of public instruction shall annually~~
32 ~~calculate allocation rate(s), which shall include vehicle amortization,~~
33 ~~for-determining))~~ The transportation allocation for transporting
34 students in district-owned passenger cars, as defined in RCW 46.04.382,
35 pursuant to RCW 28A.160.010 for services provided for in RCW
36 28A.160.150 if a school district deems it advisable to use such
37 vehicles after the school district board of directors has considered

1 the safety of the students being transported as well as the economy of
2 utilizing a district-owned passenger car in lieu of a school bus is the
3 private vehicle reimbursement rate in effect on September 1st of each
4 school year. Students transported in district-owned passenger cars
5 must be included in the corresponding basic or special passenger
6 counts.

7 (4) Prior to June 1st of each year the superintendent shall submit
8 to the office of financial management, and the education and fiscal
9 committees (~~(on education and ways and means of the senate and house of~~
10 ~~representatives))~~ of the legislature, a report outlining the
11 methodology and rationale used in determining the statistical
12 coefficients for each site characteristic used to determine the
13 allocation (~~(rates to be used))~~ for the following year.

14 **Sec. 308.** RCW 28A.160.190 and 1990 c 33 s 145 are each amended to
15 read as follows:

16 The superintendent shall notify districts of their student
17 transportation allocation before January 15th. (~~(If the number of~~
18 ~~eligible students in a school district changes ten percent or more from~~
19 ~~the October report, and the change is maintained for a period of twenty~~
20 ~~consecutive school days or more, the district may submit revised~~
21 ~~eligible student data to the superintendent of public instruction.))~~
22 The superintendent shall(~~(, to the extent funds are available,)~~)
23 recalculate and prorate the district's allocation for the
24 transportation of pupils to and from school.

25 The superintendent shall make the student transportation allocation
26 in accordance with the apportionment payment schedule in RCW
27 28A.510.250. Such allocation payments may be based on (~~(estimated~~
28 ~~amounts))~~ the prior school year's ridership report for payments to be
29 made in September, October, November, December, and January.

30 NEW SECTION. **Sec. 309.** A new section is added to chapter 28A.160
31 RCW to read as follows:

32 The superintendent of public instruction shall ensure that the
33 allocation formula results in adequate appropriation for low enrollment
34 districts, nonhigh districts, districts involved in cooperative
35 transportation agreements, and cooperative special transportation

1 services operated by educational service districts. If necessary, the
2 superintendent shall develop a separate process to adjust the
3 allocation of the districts.

4 NEW SECTION. **Sec. 310.** A new section is added to chapter 28A.160
5 RCW to read as follows:

6 (1) The superintendent of public instruction shall encourage
7 efficient use of state resources by providing a linear programming
8 process that compares school district transportation operations. If a
9 school district's operation is calculated to be less than ninety
10 percent efficient, the regional transportation coordinators shall
11 provide an individual review to determine what measures are available
12 to the school district to improve efficiency. The evaluation shall
13 include such measures as:

- 14 (a) Efficient routing of buses;
- 15 (b) Efficient use of vehicle capacity; and
- 16 (c) Reasonable controls on compensation costs.

17 (2) The superintendent shall submit to the fiscal and education
18 committees of the legislature no later than December 1st of each year
19 a report summarizing the efficiency reviews and the resulting changes
20 implemented by school districts in response to the recommendations of
21 the regional transportation coordinators.

22 NEW SECTION. **Sec. 311.** A new section is added to chapter 28A.160
23 RCW to read as follows:

24 (1) The superintendent of public instruction shall phase-in the
25 implementation of the distribution formula under this chapter for
26 allocating state funds to school districts for the transportation of
27 students to and from school. The phase-in shall be according to the
28 implementation schedule adopted by the legislature and shall begin no
29 later than the 2013-14 school year.

30 (a) The formula must be developed and revised on an ongoing basis
31 using the major cost factors in student transportation, including basic
32 and special student loads, school district land area, average distance
33 to school, roadway miles, and number of locations served. Factors must
34 include all those site characteristics that are statistically
35 significant after analysis of the data required by the revised
36 reporting process.

1 (b) The formula must allocate funds to school districts based on
2 the average predicted costs of transporting students to and from
3 school, using a regression analysis.

4 (2) During the phase-in period, funding provided to school
5 districts for student transportation operations shall be distributed on
6 the following basis:

7 (a) Annually, each school district shall receive the lesser of the
8 previous school year's pupil transportation operations allocation, or
9 the total of allowable pupil transportation expenditures identified on
10 the previous school year's final expenditure report to the state plus
11 district indirect expenses using the state recovery rate identified by
12 the superintendent; and

13 (b) Annually, any funds appropriated by the legislature in excess
14 of the maintenance level funding amount for student transportation
15 shall be distributed among school districts on a prorated basis using
16 the difference between the amount identified in (a) of this subsection
17 and the amount determined under the formula in RCW 28A.160.180.

18 (3) The superintendent shall develop, implement, and provide a copy
19 of the rules specifying the student transportation reporting
20 requirements to the legislature and school districts no later than
21 December 1, 2009.

22 (4) Beginning in December 2009, and continuing until December 2014,
23 the superintendent shall provide quarterly updates and progress reports
24 to the fiscal committees of the legislature on the implementation and
25 testing of the distribution formula.

26 **PART IV**

27 **CERTIFICATION AND PROFESSIONAL DEVELOPMENT**

28 NEW SECTION. **Sec. 401.** The legislature recognizes that the key to
29 providing all students the opportunity to achieve the basic education
30 goal is effective teaching and leadership. Teachers, principals, and
31 administrators must be provided with access to the opportunities they
32 need to gain the knowledge and skills that will enable them to be
33 increasingly successful in their classroom and schools. A system that
34 clearly defines, supports, measures, and recognizes effective teaching
35 and leadership is one of the most important investments to be made.

1 NEW SECTION. **Sec. 402.** A new section is added to chapter 28A.410

2 RCW to read as follows:

3 (1)(a) By January 1, 2010, the professional educator standards
4 board shall adopt a set of articulated teacher knowledge, skill, and
5 performance standards for effective teaching that are evidence-based,
6 measurable, meaningful, and documented in high quality research as
7 being associated with improved student learning. The standards shall
8 be calibrated for each level of certification and along the entire
9 career continuum. In developing the standards, the board shall, to the
10 extent possible, incorporate standards for cultural competency along
11 the entire continuum. For the purposes of this subsection, "cultural
12 competency" includes knowledge of student cultural histories and
13 contexts, as well as family norms and values in different cultures;
14 knowledge and skills in accessing community resources and community and
15 parent outreach; and skills in adapting instruction to students'
16 experiences and identifying cultural contexts for individual students.

17 (b) By January 1, 2010, the professional educator standards board
18 shall adopt a definition of master teacher, with a comparable level of
19 increased competency between professional certification level and
20 master level as between professional certification level and national
21 board certification. Within the definition established by the
22 professional educator standards board, teachers certified through the
23 national board for professional teaching standards shall be considered
24 master teachers.

25 (2) By January 1, 2010, the professional educator standards board
26 shall submit to the governor and the education and fiscal committees of
27 the legislature:

28 (a) An update on the status of implementation of the professional
29 certificate external and uniform assessment authorized in RCW
30 28A.410.210;

31 (b) A proposal for a uniform, statewide, valid, and reliable
32 classroom-based means of evaluating teacher effectiveness as a
33 culminating measure at the preservice level that is to be used during
34 the student-teaching field experience. This assessment shall include
35 multiple measures of teacher performance in classrooms, evidence of
36 positive impact on student learning, and shall include review of
37 artifacts, such as use of a variety of assessment and instructional
38 strategies, and student work. The proposal shall establish a timeline

1 for when the assessment will be required for successful completion of
2 a Washington state-approved teacher preparation program. The timeline
3 shall take into account the capacity of the K-12 education and higher
4 education systems to accommodate the new assessment. The proposal and
5 timeline shall also address how the assessment will be included in
6 state-reported data on preparation program quality; and

7 (c) A recommendation on the length of time that a residency
8 certificate issued to a teacher is valid and within what time period a
9 teacher must meet the minimum level of performance for and receive a
10 professional certificate in order to continue being certified as a
11 teacher. In developing this recommendation, the professional educator
12 standards board shall consult with interested stakeholders including
13 the Washington education association, the Washington association of
14 school administrators, association of Washington school principals, and
15 the Washington state school directors' association and shall include
16 with its recommendation a description of each stakeholder's comments on
17 the recommendation.

18 (3) The update and proposal in subsection (2)(a) and (b) of this
19 section shall include, at a minimum, descriptions of:

20 (a) Estimated costs and statutory authority needed for further
21 development and implementation of these assessments;

22 (b) A common and standardized rubric for determining whether a
23 teacher meets the minimum level of performance of the assessments; and

24 (c) Administration and management of the assessments.

25 (4) To the extent that funds are appropriated for this purpose and
26 in accordance with the timeline established in subsection (2) of this
27 section, recognizing the capacity limitations of the education systems,
28 the professional educator standards board shall develop the system and
29 process as established in subsections (1), (2), and (3) of this section
30 throughout the remainder of the 2010-11 and 2011-12 school years.

31 (5) Beginning no earlier than September 1, 2011, award of a
32 professional certificate shall be based on a minimum of two years of
33 successful teaching experience as defined by the board and on the
34 results of the evaluation authorized under RCW 28A.410.210(14) and
35 under this section, and may not require candidates to enroll in a
36 professional certification program.

37 (6) Beginning July 1, 2011, educator preparation programs approved
38 to offer the residency teaching certificate shall be required to

1 demonstrate how the program produces effective teachers as evidenced by
2 the measures established under this section and other criteria
3 established by the professional educator standards board.

4 **Sec. 403.** RCW 28A.415.360 and 2007 c 402 s 9 are each amended to
5 read as follows:

6 (1) Subject to funds appropriated for this purpose, targeted
7 professional development programs, to be known as learning improvement
8 days, are authorized to further the development of outstanding
9 mathematics, science, and reading teaching and learning opportunities
10 in the state of Washington. The intent of this section is to provide
11 guidance for the learning improvement days in the omnibus
12 appropriations act. The learning improvement days authorized in this
13 section shall not be considered part of the definition of basic
14 education.

15 (2) (~~The expected outcomes of these programs are~~) A school
16 district is eligible to receive funding for learning improvement days
17 that are limited to specific activities related to student learning
18 that contribute to the following outcomes:

19 (a) Provision of meaningful, targeted professional development for
20 all teachers in mathematics, science, or reading;

21 (b) Increased knowledge and instructional skill for mathematics,
22 science, or reading teachers;

23 (c) Increased use of curriculum materials with supporting
24 diagnostic and supplemental materials that align with state standards;

25 (d) Skillful guidance for students participating in alternative
26 assessment activities;

27 (e) Increased rigor of course offerings especially in mathematics,
28 science, and reading;

29 (f) Increased student opportunities for focused, applied
30 mathematics and science classes;

31 (g) Increased student success on state achievement measures; and

32 (h) Increased student appreciation of the value and uses of
33 mathematics, science, and reading knowledge and exploration of related
34 careers.

35 (3) School districts receiving resources under this section shall
36 submit reports to the superintendent of public instruction (~~regarding~~
37 ~~the use of the funds;~~) documenting how the use of the funds (~~is~~

1 ~~associated with~~) contributes to measurable improvement in the
2 (~~expected~~) outcomes described under subsection (2) of this section;
3 and how other professional development resources and programs
4 authorized in statute or in the omnibus appropriations act contribute
5 to the expected outcomes. The superintendent of public instruction and
6 the office of financial management shall collaborate on required report
7 content and format.

8 **PART V**

9 **SHARED ACCOUNTABILITY FOR SCHOOL AND DISTRICT IMPROVEMENT**

10 NEW SECTION. **Sec. 501.** (1)(a) The legislature intends to develop
11 a system in which the state and school districts share accountability
12 for achieving state educational standards and supporting continuous
13 school improvement. The legislature recognizes that comprehensive
14 education finance reform and the increased investment of public
15 resources necessary to implement that reform must be accompanied by a
16 new mechanism for clearly defining the relationships and expectations
17 for the state, school districts, and schools. It is the legislature's
18 intent that this be accomplished through the development of a
19 proactive, collaborative accountability system that focuses on a school
20 improvement system that engages and serves the local school board,
21 parents, students, staff in the schools and districts, and the
22 community. The improvement system shall be based on progressive levels
23 of support, with a goal of continuous improvement in student
24 achievement and alignment with the federal system of accountability.

25 (b) The legislature further recognizes that it is the state's
26 responsibility to provide schools and districts with the tools and
27 resources necessary to improve student achievement. These tools
28 include the necessary accounting and data reporting systems, assessment
29 systems to monitor student achievement, and a system of general
30 support, targeted assistance, recognition, and, if necessary, state
31 intervention.

32 (2) The legislature has already charged the state board of
33 education to develop criteria to identify schools and districts that
34 are successful, in need of assistance, and those where students
35 persistently fail, as well as to identify a range of intervention
36 strategies and a performance incentive system. The legislature finds

1 that the state board of education should build on the work that the
2 board has already begun in these areas. As development of these
3 formulas, processes, and systems progresses, the legislature should
4 monitor the progress.

5 **Sec. 502.** RCW 28A.305.130 and 2008 c 27 s 1 are each amended to
6 read as follows:

7 The purpose of the state board of education is to provide advocacy
8 and strategic oversight of public education; implement a standards-
9 based accountability (~~(system)~~) framework that creates a unified system
10 of increasing levels of support for schools in order to improve student
11 academic achievement; provide leadership in the creation of a system
12 that personalizes education for each student and respects diverse
13 cultures, abilities, and learning styles; and promote achievement of
14 the goals of RCW 28A.150.210. In addition to any other powers and
15 duties as provided by law, the state board of education shall:

16 (1) Hold regularly scheduled meetings at such time and place within
17 the state as the board shall determine and may hold such special
18 meetings as may be deemed necessary for the transaction of public
19 business;

20 (2) Form committees as necessary to effectively and efficiently
21 conduct the work of the board;

22 (3) Seek advice from the public and interested parties regarding
23 the work of the board;

24 (4) For purposes of statewide accountability:

25 (a) Adopt and revise performance improvement goals in reading,
26 writing, science, and mathematics, by subject and grade level, once
27 assessments in these subjects are required statewide; academic and
28 technical skills, as appropriate, in secondary career and technical
29 education programs; and student attendance, as the board deems
30 appropriate to improve student learning. The goals shall be consistent
31 with student privacy protection provisions of RCW 28A.655.090(7) and
32 shall not conflict with requirements contained in Title I of the
33 federal elementary and secondary education act of 1965, or the
34 requirements of the Carl D. Perkins vocational education act of 1998,
35 each as amended. The goals may be established for all students,
36 economically disadvantaged students, limited English proficient
37 students, students with disabilities, and students from

1 disproportionately academically underachieving racial and ethnic
2 backgrounds. The board may establish school and school district goals
3 addressing high school graduation rates and dropout reduction goals for
4 students in grades seven through twelve. The board shall adopt the
5 goals by rule. However, before each goal is implemented, the board
6 shall present the goal to the education committees of the house of
7 representatives and the senate for the committees' review and comment
8 in a time frame that will permit the legislature to take statutory
9 action on the goal if such action is deemed warranted by the
10 legislature;

11 (b) Identify the scores students must achieve in order to meet the
12 standard on the Washington assessment of student learning and, for high
13 school students, to obtain a certificate of academic achievement. The
14 board shall also determine student scores that identify levels of
15 student performance below and beyond the standard. The board shall
16 consider the incorporation of the standard error of measurement into
17 the decision regarding the award of the certificates. The board shall
18 set such performance standards and levels in consultation with the
19 superintendent of public instruction and after consideration of any
20 recommendations that may be developed by any advisory committees that
21 may be established for this purpose. The initial performance standards
22 and any changes recommended by the board in the performance standards
23 for the tenth grade assessment shall be presented to the education
24 committees of the house of representatives and the senate by November
25 30th of the school year in which the changes will take place to permit
26 the legislature to take statutory action before the changes are
27 implemented if such action is deemed warranted by the legislature. The
28 legislature shall be advised of the initial performance standards and
29 any changes made to the elementary level performance standards and the
30 middle school level performance standards;

31 ~~((Adopt objective, systematic criteria to identify successful~~
32 ~~schools and school districts and recommend to the superintendent of~~
33 ~~public instruction schools and districts to be recognized for two types~~
34 ~~of accomplishments, student achievement and improvements in student~~
35 ~~achievement. Recognition for improvements in student achievement shall~~
36 ~~include consideration of one or more of the following accomplishments:~~

37 ~~(i) An increase in the percent of students meeting standards. The~~

1 ~~level of achievement required for recognition may be based on the~~
2 ~~achievement goals established by the legislature and by the board under~~
3 ~~(a) of this subsection;~~
4 ~~(ii) Positive progress on an improvement index that measures~~
5 ~~improvement in all levels of the assessment; and~~
6 ~~(iii) Improvements despite challenges such as high levels of~~
7 ~~mobility, poverty, English as a second language learners, and large~~
8 ~~numbers of students in special populations as measured by either the~~
9 ~~percent of students meeting the standard, or the improvement index.~~
10 ~~When determining the baseline year or years for recognizing individual~~
11 ~~schools, the board may use the assessment results from the initial~~
12 ~~years the assessments were administered, if doing so with individual~~
13 ~~schools would be appropriate;~~
14 ~~(d) Adopt objective, systematic criteria to identify schools and~~
15 ~~school districts in need of assistance and those in which significant~~
16 ~~numbers of students persistently fail to meet state standards. In its~~
17 ~~deliberations, the board shall consider the use of all statewide~~
18 ~~mandated criterion referenced and norm referenced standardized tests;~~
19 ~~(e) Identify schools and school districts in which state~~
20 ~~intervention measures will be needed and a range of appropriate~~
21 ~~intervention strategies after the legislature has authorized a set of~~
22 ~~intervention strategies. After the legislature has authorized a set of~~
23 ~~intervention strategies, at the request of the board, the~~
24 ~~superintendent shall intervene in the school or school district and~~
25 ~~take corrective actions. This chapter does not provide additional~~
26 ~~authority for the board or the superintendent of public instruction to~~
27 ~~intervene in a school or school district;~~
28 ~~(f) Identify performance incentive systems that have improved or~~
29 ~~have the potential to improve student achievement;~~
30 ~~(g)) Annually review the assessment reporting system to ensure~~
31 ~~fairness, accuracy, timeliness, and equity of opportunity, especially~~
32 ~~with regard to schools with special circumstances and unique~~
33 ~~populations of students, and a recommendation to the superintendent of~~
34 ~~public instruction of any improvements needed to the system; and~~
35 ~~((h)) (d) Include in the biennial report required under RCW~~
36 ~~28A.305.035, information on the progress that has been made in~~
37 ~~achieving goals adopted by the board;~~

1 (5) Accredited, subject to such accreditation standards and
2 procedures as may be established by the state board of education, all
3 private schools that apply for accreditation, and approve, subject to
4 the provisions of RCW 28A.195.010, private schools carrying out a
5 program for any or all of the grades kindergarten through twelve:
6 PROVIDED, That no private school may be approved that operates a
7 kindergarten program only: PROVIDED FURTHER, That no private schools
8 shall be placed upon the list of accredited schools so long as secret
9 societies are knowingly allowed to exist among its students by school
10 officials;

11 (6) Articulate with the institutions of higher education, workforce
12 representatives, and early learning policymakers and providers to
13 coordinate and unify the work of the public school system;

14 (7) Hire an executive director and an administrative assistant to
15 reside in the office of the superintendent of public instruction for
16 administrative purposes. Any other personnel of the board shall be
17 appointed as provided by RCW 28A.300.020. The board may delegate to
18 the executive director by resolution such duties as deemed necessary to
19 efficiently carry on the business of the board including, but not
20 limited to, the authority to employ necessary personnel and the
21 authority to enter into, amend, and terminate contracts on behalf of
22 the board. The executive director, administrative assistant, and all
23 but one of the other personnel of the board are exempt from civil
24 service, together with other staff as now or hereafter designated as
25 exempt in accordance with chapter 41.06 RCW; and

26 (8) Adopt a seal that shall be kept in the office of the
27 superintendent of public instruction.

28 NEW SECTION. **Sec. 503.** A new section is added to chapter 28A.305
29 RCW to read as follows:

30 (1) The state board of education shall continue to refine the
31 development of an accountability framework that creates a unified
32 system of support for challenged schools, that aligns with basic
33 education, increases the level of support based upon the magnitude of
34 need, and uses data for decisions.

35 (2) The state board of education shall develop an accountability
36 index to identify schools and districts for recognition and for
37 additional state support. The index shall be based on criteria that

1 are fair, consistent, and transparent. Performance shall be measured
2 using multiple outcomes and indicators including, but not limited to,
3 graduation rates and results from statewide assessments. The index
4 shall be developed in such a way as to be easily understood by both
5 employees within the schools and districts, as well as parents and
6 community members. It is the legislature's intent that the index
7 provide feedback to schools and districts to self-assess their
8 progress, and enable the identification of schools with exemplary
9 student performance and those that need assistance to overcome
10 challenges in order to achieve exemplary student performance. Once the
11 accountability index has identified schools that need additional help,
12 a more thorough analysis will be done to analyze specific conditions in
13 the district including but not limited to the level of state resources
14 a school or school district receives in support of the basic education
15 system, achievement gaps for different groups of students, and
16 community support.

17 (3) Based on the accountability index and in consultation with the
18 superintendent of public instruction, the state board of education
19 shall develop a proposal and timeline for implementation of a
20 comprehensive system of voluntary support and assistance for schools
21 and districts. The timeline must take into account and accommodate
22 capacity limitations of the K-12 educational system. Changes that have
23 a fiscal impact on school districts, as identified by a fiscal analysis
24 prepared by the office of the superintendent of public instruction,
25 shall take effect only if formally authorized by the legislature
26 through the omnibus appropriations act or other enacted legislation.

27 (4)(a) The state board of education shall develop a proposal and
28 implementation timeline for a more formalized comprehensive system
29 improvement targeted to challenged schools and districts that have not
30 demonstrated sufficient improvement through the voluntary system. The
31 timeline must take into account and accommodate capacity limitations of
32 the K-12 educational system. The proposal and timeline shall be
33 submitted to the education committees of the legislature by December 1,
34 2009, and shall include recommended legislation and recommended
35 resources to implement the system according to the timeline developed.

36 (b) The proposal shall outline a process for addressing performance
37 challenges that will include the following features: (i) An academic
38 performance audit using peer review teams of educators that considers

1 school and community factors in addition to other factors in developing
2 recommended specific corrective actions that should be undertaken to
3 improve student learning; (ii) a requirement for the local school board
4 plan to develop and be responsible for implementation of corrective
5 action plan taking into account the audit findings, which plan must be
6 approved by the state board of education at which time the plan becomes
7 binding upon the school district to implement; and (iii) monitoring of
8 local district progress by the office of the superintendent of public
9 instruction. The proposal shall take effect only if formally
10 authorized by the legislature through the omnibus appropriations act or
11 other enacted legislation.

12 (5) In coordination with the superintendent of public instruction,
13 the state board of education shall seek approval from the United States
14 department of education for use of the accountability index and the
15 state system of support, assistance, and intervention, to replace the
16 federal accountability system under P.L. 107-110, the no child left
17 behind act of 2001.

18 (6) The state board of education shall work with the education data
19 center established within the office of financial management and the
20 technical working group established in section 112 of this act to
21 determine the feasibility of using the prototypical funding allocation
22 model as not only a tool for allocating resources to schools and
23 districts but also as a tool for schools and districts to report to the
24 state legislature and the state board of education on how the state
25 resources received are being used.

26
27

PART VI
COMPENSATION

28 NEW SECTION. **Sec. 601.** A new section is added to chapter 43.41
29 RCW to read as follows:

30 (1) The legislature recognizes that providing students with the
31 opportunity to access a world-class educational system depends on our
32 continuing ability to provide students with access to world-class
33 educators. The legislature also understands that continuing to attract
34 and retain the highest quality educators will require increased
35 investments. The legislature intends to enhance the current salary
36 allocation model and recognizes that changes to the current model

1 cannot be imposed without great deliberation and input from teachers,
2 administrators, and classified employees. Therefore, it is the intent
3 of the legislature to begin the process of developing an enhanced
4 salary allocation model that is collaboratively designed to ensure the
5 rationality of any conclusions regarding what constitutes adequate
6 compensation.

7 (2) Beginning July 1, 2011, the office of financial management
8 shall convene a technical working group to recommend the details of an
9 enhanced salary allocation model that aligns state expectations for
10 educator development and certification with the compensation system and
11 establishes recommendations for a concurrent implementation schedule.
12 In addition to any other details the technical working group deems
13 necessary, the technical working group shall make recommendations on
14 the following:

15 (a) How to reduce the number of tiers within the existing salary
16 allocation model;

17 (b) How to account for labor market adjustments;

18 (c) How to account for different geographic regions of the state
19 where districts may encounter difficulty recruiting and retaining
20 teachers;

21 (d) The role of and types of bonuses available;

22 (e) Ways to accomplish salary equalization over a set number of
23 years; and

24 (f) Initial fiscal estimates for implementing the recommendations
25 including a recognition that staff on the existing salary allocation
26 model would have the option to grandfather in permanently to the
27 existing schedule.

28 (3) As part of its work, the technical working group shall conduct
29 or contract for a preliminary comparative labor market analysis of
30 salaries and other compensation for school district employees to be
31 conducted and shall include the results in any reports to the
32 legislature. For the purposes of this subsection, "salaries and other
33 compensation" includes average base salaries, average total salaries,
34 average employee basic benefits, and retirement benefits.

35 (4) The analysis required under subsection (1) of this section
36 must:

37 (a) Examine salaries and other compensation for teachers, other

1 certificated instructional staff, principals, and other building-level
2 certificated administrators, and the types of classified employees for
3 whom salaries are allocated;

4 (b) Be calculated at a statewide level that identifies labor
5 markets in Washington through the use of data from the United States
6 bureau of the census and the bureau of labor statistics; and

7 (c) Include a comparison of salaries and other compensation to the
8 appropriate labor market for at least the following subgroups of
9 educators: Beginning teachers and types of educational staff
10 associates.

11 (5) The working group shall include representatives of the
12 department of personnel, the professional educator standards board, the
13 office of the superintendent of public instruction, the Washington
14 education association, the Washington association of school
15 administrators, the association of Washington school principals, the
16 Washington state school directors' association, the public school
17 employees of Washington, and other interested stakeholders with
18 appropriate expertise in compensation related matters. The working
19 group may convene advisory subgroups on specific topics as necessary to
20 assure participation and input from a broad array of diverse
21 stakeholders.

22 (6) The working group shall be monitored and overseen by the
23 legislature and the quality education council created in section 114 of
24 this act. The working group shall make an initial report to the
25 legislature by December 1, 2012, and shall include in its report
26 recommendations for whether additional further work of the group is
27 necessary.

28 PART VII

29 GENERAL PROVISIONS--PROGRAM OF BASIC EDUCATION

30 **Sec. 701.** RCW 28A.165.005 and 2004 c 20 s 1 are each amended to
31 read as follows:

32 (~~The learning assistance program requirements in~~) This chapter
33 (~~are~~) is designed to: (1) Promote the use of assessment data when
34 developing programs to assist underachieving students; and (2) guide
35 school districts in providing the most effective and efficient
36 practices when implementing (~~programs~~) supplemental instruction and

1 services to assist underachieving students. (~~Further, this chapter~~
2 ~~provides the means by which a school district becomes eligible for~~
3 ~~learning assistance program funds and the distribution of those~~
4 ~~funds.~~)

5 **Sec. 702.** RCW 28A.165.015 and 2004 c 20 s 2 are each amended to
6 read as follows:

7 Unless the context clearly indicates otherwise the definitions in
8 this section apply throughout this chapter.

9 (1) "Approved program" means a program submitted to and approved by
10 the office of the superintendent of public instruction and conducted
11 pursuant to the plan that addresses the required elements as provided
12 for in this chapter.

13 (2) "Basic skills areas" means reading, writing, and mathematics as
14 well as readiness associated with these skills.

15 (3) "Participating student" means a student in kindergarten through
16 grade (~~eleven who scores below standard for his or her grade level on~~
17 ~~the statewide assessments and who is identified in the approved plan to~~
18 ~~receive services. Beginning with the 2007-2008 school year,~~
19 ~~"participating student" means a student in kindergarten through grade~~)
20 twelve who scores below standard for his or her grade level on the
21 statewide assessments and who is identified in the approved plan to
22 receive services.

23 (4) "Statewide assessments" means one or more of the several basic
24 skills assessments administered as part of the state's student
25 assessment system, and assessments in the basic skills areas
26 administered by local school districts.

27 (5) "Underachieving students" means students with the greatest
28 academic deficits in basic skills as identified by the statewide
29 assessments.

30 **Sec. 703.** RCW 28A.165.055 and 2008 c 321 s 10 are each amended to
31 read as follows:

32 (~~(1)~~) Each school district with an approved program is eligible
33 for state funds provided for the learning assistance program. The
34 funds shall be appropriated for the learning assistance program in
35 accordance with RCW 28A.150.260 and the (~~biennial~~) omnibus
36 appropriations act. The distribution formula is for school district

1 allocation purposes only, but funds appropriated for the learning
2 assistance program must be expended for the purposes of RCW 28A.165.005
3 through 28A.165.065. (~~The distribution formula shall be based on one~~
4 ~~or more family income factors measuring economic need.~~

5 ~~(2) In addition to the funds allocated to eligible school districts~~
6 ~~on the basis of family income factors, enhanced funds shall be~~
7 ~~allocated for school districts where more than twenty percent of~~
8 ~~students are eligible for and enrolled in the transitional bilingual~~
9 ~~instruction program under chapter 28A.180 RCW as provided in this~~
10 ~~subsection. The enhanced funding provided in this subsection shall~~
11 ~~take effect beginning in the 2008-09 school year.~~

12 ~~(a) If, in the prior school year, a district's percent of October~~
13 ~~headcount student enrollment in grades kindergarten through twelve who~~
14 ~~are enrolled in the transitional bilingual instruction program, based~~
15 ~~on an average of the program headcount taken in October and May,~~
16 ~~exceeds twenty percent, twenty percent shall be subtracted from the~~
17 ~~district's percent transitional bilingual instruction program~~
18 ~~enrollment and the resulting percent shall be multiplied by the~~
19 ~~district's kindergarten through twelve annual average full-time~~
20 ~~equivalent enrollment for the prior school year.~~

21 ~~(b) The number calculated under (a) of this subsection shall be the~~
22 ~~number of additional funded students for purposes of this subsection,~~
23 ~~to be multiplied by the per funded student allocation rates specified~~
24 ~~in the omnibus appropriations act.~~

25 ~~(c) School districts are only eligible for the enhanced funds under~~
26 ~~this subsection if their percentage of October headcount enrollment in~~
27 ~~grades kindergarten through twelve eligible for free or reduced price~~
28 ~~lunch exceeded forty percent in the prior school year.))~~

29 **Sec. 704.** RCW 28A.180.010 and 1990 c 33 s 163 are each amended to
30 read as follows:

31 RCW 28A.180.010 through 28A.180.080 shall be known and cited as
32 "the transitional bilingual instruction act." The legislature finds
33 that there are large numbers of children who come from homes where the
34 primary language is other than English. The legislature finds that a
35 transitional bilingual education program can meet the needs of these
36 children. Pursuant to the policy of this state to insure equal
37 educational opportunity to every child in this state, it is the purpose

1 of RCW 28A.180.010 through 28A.180.080 to provide for the
2 implementation of transitional bilingual education programs in the
3 public schools(~~(, and to provide supplemental financial assistance to~~
4 ~~school districts to meet the extra costs of these programs)~~).

5 **Sec. 705.** RCW 28A.180.080 and 1995 c 335 s 601 are each amended to
6 read as follows:

7 (~~The superintendent of public instruction shall prepare and submit~~
8 ~~biennially to the governor and the legislature a budget request for~~
9 ~~bilingual instruction programs.)~~ Moneys appropriated by the
10 legislature for the purposes of RCW 28A.180.010 through 28A.180.080
11 shall be allocated by the superintendent of public instruction to
12 school districts for the sole purpose of operating an approved
13 bilingual instruction program(~~(; priorities for funding shall exist for~~
14 ~~the early elementary grades. No moneys shall be allocated pursuant to~~
15 ~~this section to fund more than three school years of bilingual~~
16 ~~instruction for each eligible pupil within a district: PROVIDED, That~~
17 ~~such moneys may be allocated to fund more than three school years of~~
18 ~~bilingual instruction for any pupil who fails to demonstrate~~
19 ~~improvement in English language skills adequate to remove impairment of~~
20 ~~learning when taught only in English. The superintendent of public~~
21 ~~instruction shall set standards and approve a test for the measurement~~
22 ~~of such English language skills)~~).

23 **Sec. 706.** RCW 28A.225.200 and 1990 c 33 s 234 are each amended to
24 read as follows:

25 (1) A local district may be authorized by the educational service
26 district superintendent to transport and educate its pupils in other
27 districts for one year, either by payment of a compensation agreed upon
28 by such school districts, or under other terms mutually satisfactory to
29 the districts concerned when this will afford better educational
30 facilities for the pupils and when a saving may be effected in the cost
31 of education(~~(; PROVIDED, That)~~). Notwithstanding any other provision
32 of law, the amount to be paid by the state to the resident school
33 district for apportionment purposes and otherwise payable pursuant to
34 RCW ((~~28A.150.100,~~) 28A.150.250 through 28A.150.290, 28A.150.350
35 through 28A.150.410, 28A.160.150 through 28A.160.200, ((~~28A.160.220~~))
36 28A.300.035, and 28A.300.170((~~, and 28A.500.010~~)) shall not be greater

1 than the regular apportionment for each high school student of the
2 receiving district. Such authorization may be extended for an
3 additional year at the discretion of the educational service district
4 superintendent.

5 (2) Subsection (1) of this section shall not apply to districts
6 participating in a cooperative project established under RCW
7 28A.340.030 which exceeds two years in duration.

8 **Sec. 707.** RCW 28A.185.010 and 1984 c 278 s 12 are each amended to
9 read as follows:

10 Pursuant to rules (~~and regulations~~) adopted by the superintendent
11 of public instruction for the administration of this chapter, the
12 superintendent of public instruction shall carry out a program for
13 highly capable students. Such program may include conducting,
14 coordinating and aiding in research (including pilot programs),
15 disseminating information to local school districts, providing
16 statewide staff development, and allocating to school districts
17 supplementary funds for additional costs of district programs, as
18 provided by RCW (~~(28A.185.020)~~) 28A.150.260.

19 **Sec. 708.** RCW 28A.185.020 and 1990 c 33 s 168 are each amended to
20 read as follows:

21 (1) The legislature finds that, for highly capable students, access
22 to accelerated learning and enhanced instruction is access to a basic
23 education. There are multiple definitions of highly capable, from
24 intellectual to academic to artistic. The research literature strongly
25 supports using multiple criteria to identify highly capable students,
26 and therefore, the legislature does not intend to prescribe a single
27 method. Instead, the legislature intends to allocate funding based on
28 two and three hundred fourteen one-thousandths percent of each school
29 district's population and authorize school districts to identify
30 through the use of multiple, objective criteria those students most
31 highly capable and eligible to receive accelerated learning and
32 enhanced instruction in the program offered by the district. Access to
33 accelerated learning and enhanced instruction through the program for
34 highly capable students does not constitute an individual entitlement
35 for any particular student.

1 (2) ~~Supplementary funds ((as may be)) provided by the state for~~
2 ~~((this program, in accordance with RCW 28A.150.370,))~~ the program for
3 highly capable students under RCW 28A.150.260 shall be categorical
4 funding ~~((on an excess cost basis based upon a per student amount not~~
5 ~~to exceed three percent of any district's full-time equivalent~~
6 ~~enrollment))~~ to provide services to highly capable students as
7 determined by a school district under RCW 28A.185.030.

8 ***NEW SECTION.** *Sec. 709. A new section is added to chapter 28A.185*
9 *RCW to read as follows:*

10 *To the extent necessary, funds shall be made available for safety*
11 *net awards for districts with demonstrated needs for funding for a*
12 *highly capable program beyond the amounts provided through the highly*
13 *capable funding formula under RCW 28A.150.260 and 28A.185.020. Safety*
14 *net funds shall be awarded by the state safety net oversight committee*
15 *subject to the conditions and limitations in subsections (1) through*
16 *(4) of this section.*

17 (1) *The committee shall consider additional funds for districts*
18 *that can convincingly demonstrate that all legitimate expenditures for*
19 *the highly capable program exceed all available revenues from state*
20 *funding formulas. In the determination of need, the committee shall*
21 *also consider additional available revenues from federal sources.*
22 *Differences in program costs attributable to district philosophy,*
23 *service delivery choice, or accounting practices are not a legitimate*
24 *basis for safety net awards. In the determination of need, the*
25 *committee shall require that districts demonstrate that they are*
26 *maximizing their eligibility for all state and federal revenues related*
27 *to services for students in the highly capable program.*

28 (2) *The superintendent of public instruction may adopt such rules*
29 *and procedures as are necessary to administer the safety net award*
30 *process for the highly capable program, including determining the*
31 *maximum allowable indirect cost for calculating safety net eligibility.*

32 (3) *The superintendent of public instruction shall provide*
33 *technical assistance to school districts in preparing and submitting*
34 *safety net applications for highly capable programs.*

35 (4) *The safety net committee for highly capable programs shall be*
36 *composed of at least the following members:*

1 (a) One staff member from the office of the superintendent of
2 public instruction;

3 (b) Staff of the office of the state auditor, who shall be
4 nonvoting members of the committee; and

5 (c) One or more representatives from school districts or
6 educational service districts knowledgeable of highly capable programs
7 and funding.

*Sec. 709 was vetoed. See message at end of chapter.

8 NEW SECTION. **Sec. 710.** The following acts or parts of acts are
9 each repealed:

10 (1) RCW 28A.150.030 (School day) and 1971 ex.s. c 161 s 1 & 1969
11 ex.s. c 223 s 28A.01.010;

12 (2) RCW 28A.150.060 (Certificated employee) and 2005 c 497 s 212,
13 1990 c 33 s 102, 1977 ex.s. c 359 s 17, 1975 1st ex.s. c 288 s 21, &
14 1973 1st ex.s. c 105 s 1;

15 (3) RCW 28A.150.100 (Basic education certificated instructional
16 staff--Definition--Ratio to students) and 1990 c 33 s 103 & 1987 1st
17 ex.s. c 2 s 203;

18 (4) RCW 28A.150.040 (School year--Beginning--End) and 1990 c 33 s
19 101, 1982 c 158 s 5, 1977 ex.s. c 286 s 1, 1975-'76 2nd ex.s. c 118 s
20 22, & 1969 ex.s. c 223 s 28A.01.020;

21 (5) RCW 28A.150.370 (Additional programs for which legislative
22 appropriations must or may be made) and 1995 c 335 s 102, 1995 c 77 s
23 5, 1990 c 33 s 114, 1982 1st ex.s. c 24 s 1, & 1977 ex.s. c 359 s 7;
24 and

25 (6) RCW 28A.155.180 (Safety net funds--Application--Technical
26 assistance--Annual survey) and 2007 c 400 s 8.

27 **PART VIII**

28 **MISCELLANEOUS PROVISIONS**

29 NEW SECTION. **Sec. 801.** Part headings used in this act are not any
30 part of the law.

31 NEW SECTION. **Sec. 802.** Sections 1, 102, and 109 of this act are
32 each added to chapter 28A.150 RCW.

1 NEW SECTION. **Sec. 803.** Section 114 of this act constitutes a new
2 chapter in Title 28A RCW.

3 NEW SECTION. **Sec. 804.** Sections 101 through 110 and 701 through
4 710 of this act take effect September 1, 2011.

5 NEW SECTION. **Sec. 805.** Sections 304 through 311 of this act take
6 effect September 1, 2013.

7 NEW SECTION. **Sec. 806.** Section 112 of this act is necessary for
8 the immediate preservation of the public peace, health, or safety, or
9 support of the state government and its existing public institutions,
10 and takes effect immediately.

11 NEW SECTION. **Sec. 807.** If any provision of this act or its
12 application to any person or circumstance is held invalid, the
13 remainder of the act or the application of the provision to other
14 persons or circumstances is not affected.

 Passed by the House April 20, 2009.

 Passed by the Senate April 16, 2009.

 Approved by the Governor May 19, 2009, with the exception of
 certain items that were vetoed.

 Filed in Office of Secretary of State May 20, 2009.

 Note: Governor's explanation of partial veto is as follows:

 "I have approved, except for Sections 115 and 709, Engrossed
 Substitute House Bill 2261 entitled:

 "AN ACT Relating to education."

 In this legislation a number of programs and formulae are to be
 developed to expand our state's definition of basic education.

 Section 115 initiates the development of an early learning program for
 at-risk three- and four-year olds. The bill indicates that this
 program is to become part of the definition of basic education. If
 early childhood education is to become part of our definition of basic
 education it cannot be made available only to at-risk children. I am
 deeply and personally committed to providing quality early learning
 programs for all of our children and will continue to work to develop
 an early learning program worthy of our earliest learners. I am asking
 Superintendent of Public Instruction Randy Dorn and Department of
 Early Learning Director Betty Hyde to work together to bring a
 proposal forward that ensures all Washington children have the benefit
 of early childhood education.

 One of the several tasks in Engrossed Substitute House Bill 2261 is
 the creation of funding formulas to support the program components of
 a new definition of basic education and to develop a timeline for the
 implementation of the funding formulas along with programmatic
 changes. Section 709 requires the state to provide a safety net of
 resources for students identified by school districts as meeting local

requirements for participation in a highly capable program, but for which the allocation does not provide enough support.

Section 709 is not necessary because Section 708 of the bill makes it clear that the highly capable program is not intended to be an entitlement to individual students. This section also has two troubling features: First, local school districts make the determination as to the qualifications for their highly capable programs and the types of programs offered, and by this language locally defined costs are forwarded to the state for payment without regard to other basic education program or other funding needs. Second, the state is required to provide a highly capable program safety net.

As the basic education definition evolves in this legislation, the timeline for implementation of various programs and formulae is left to the Quality Education Council. This specific provision makes the highly capable program the first task for funding, in essence prioritizing this program over all other aspects of basic education funding under consideration. Much work is left to be done to establish standards, guidelines and definitions for what constitutes a highly capable program and what the funding level should be for such a program.

For these reasons I am vetoing Sections 115 and 709 of Engrossed Substitute House Bill 2261.

With the exception of Sections 115 and 709, Engrossed Substitute House Bill 2261 is approved."



Appendix B

Substitute House Bill 2776
(Chapter 236, Laws of 2010)

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2776

Chapter 236, Laws of 2010

(partial veto)

61st Legislature
2010 Regular Session

K-12 EDUCATION--FUNDING DISTRIBUTION FORMULAS

EFFECTIVE DATE: 06/10/10 - Except section 6, which becomes effective 03/29/10; and sections 2, 3, 4, 8, 10, 13, and 14, which become effective 09/01/11.

Passed by the House March 11, 2010
Yeas 71 Nays 26

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 11, 2010
Yeas 30 Nays 17

BRAD OWEN

President of the Senate

Approved March 29, 2010, 2:23 p.m., with the exception of Section 11 which is vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2776** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

March 30, 2010

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 2776

AS AMENDED BY THE SENATE

Passed Legislature - 2010 Regular Session

State of Washington 61st Legislature 2010 Regular Session

By House Education Appropriations (originally sponsored by Representatives Sullivan, Priest, Maxwell, Dammeier, Carlyle, Finn, Anderson, Eddy, Nelson, Goodman, Orwall, Hunter, Simpson, Jacks, Kagi, Ormsby, Morrell, Probst, and Santos)

READ FIRST TIME 02/02/10.

1 AN ACT Relating to funding distribution formulas for K-12
2 education; amending RCW 28A.150.260, 28A.150.390, 28A.150.315,
3 43.41.398, 28A.160.192, 28A.150.410, 28A.175.010, 28A.150.100, and
4 28A.290.010; amending 2009 c 548 s 112 (uncodified); amending 2009 c
5 548 s 302 (uncodified); amending 2009 c 548 s 710 (uncodified);
6 amending 2009 c 548 s 805 (uncodified); adding a new section to chapter
7 28A.160 RCW; adding a new section to chapter 28A.300 RCW; adding a new
8 section to chapter 28A.290 RCW; adding a new section to chapter 28A.400
9 RCW; creating a new section; recodifying RCW 43.41.398; providing
10 effective dates; and declaring an emergency.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12 NEW SECTION. **Sec. 1.** (1) It is the legislature's intent to
13 continue implementation of chapter 548, Laws of 2009, by adopting the
14 technical details of a new distribution formula for the instructional
15 program of basic education and authorizing a phase-in of implementation
16 of a new distribution formula for pupil transportation, both to take
17 effect during the 2011-2013 biennium. Unless otherwise stated, the
18 numeric values adopted in section 2 of this act represent the
19 translation of 2009-2010 state funding levels for the basic education

1 act into the funding factors of the prototypical school funding
2 formula, based on the expert advice and extensive work of the funding
3 formula technical working group established by the legislature for this
4 purpose. The legislature intends to continue to review and revise the
5 formulas and may make revisions as necessary for technical purposes and
6 consistency in the event of mathematical or other technical errors.

7 (2) The legislature intends that per-pupil basic education funding
8 for a school district shall not be decreased as a result of the
9 transition of basic education funding formulas in effect during the
10 2009-2011 biennium to the new funding formulas under RCW 28A.150.260
11 that take effect during the 2011-2013 biennium.

12 (3) It is also the legislature's intent to begin phasing-in
13 enhancements to the baseline funding levels of 2009-10 in the 2011-2013
14 biennium for pupil transportation, class size allocations for grades
15 kindergarten through three, full-day kindergarten, and allocations for
16 maintenance, supplies, and operating costs.

17 (4) Finally, it is the legislature's intent to adjust the timelines
18 for other working groups so that their expertise and advice can be
19 received as soon as possible and to make technical adjustments to
20 certain provisions of chapter 548, Laws of 2009.

21 **Sec. 2.** RCW 28A.150.260 and 2009 c 548 s 106 are each amended to
22 read as follows:

23 The purpose of this section is to provide for the allocation of
24 state funding that the legislature deems necessary to support school
25 districts in offering the minimum instructional program of basic
26 education under RCW 28A.150.220. The allocation shall be determined as
27 follows:

28 (1) The governor shall and the superintendent of public instruction
29 may recommend to the legislature a formula for the distribution of a
30 basic education instructional allocation for each common school
31 district.

32 (2) The distribution formula under this section shall be for
33 allocation purposes only. Except as may be required under chapter
34 28A.155, 28A.165, 28A.180, or (~~28A.155~~) 28A.185 RCW, or federal laws
35 and regulations, nothing in this section requires school districts to
36 use basic education instructional funds to implement a particular
37 instructional approach or service. Nothing in this section requires

1 school districts to maintain a particular classroom teacher-to-student
2 ratio or other staff-to-student ratio or to use allocated funds to pay
3 for particular types or classifications of staff. Nothing in this
4 section entitles an individual teacher to a particular teacher planning
5 period.

6 (3)(a) To the extent the technical details of the formula have been
7 adopted by the legislature and except when specifically provided as a
8 school district allocation, the distribution formula for the basic
9 education instructional allocation shall be based on minimum staffing
10 and nonstaff costs the legislature deems necessary to support
11 instruction and operations in prototypical schools serving high,
12 middle, and elementary school students as provided in this section.
13 The use of prototypical schools for the distribution formula does not
14 constitute legislative intent that schools should be operated or
15 structured in a similar fashion as the prototypes. Prototypical
16 schools illustrate the level of resources needed to operate a school of
17 a particular size with particular types and grade levels of students
18 using commonly understood terms and inputs, such as class size, hours
19 of instruction, and various categories of school staff. It is the
20 intent that the funding allocations to school districts be adjusted
21 from the school prototypes based on the actual number of annual average
22 full-time equivalent students in each grade level at each school in the
23 district and not based on the grade-level configuration of the school
24 to the extent that data is available. The allocations shall be further
25 adjusted from the school prototypes with minimum allocations for small
26 schools and to reflect other factors identified in the omnibus
27 appropriations act.

28 (b) For the purposes of this section, prototypical schools are
29 defined as follows:

30 (i) A prototypical high school has six hundred average annual full-
31 time equivalent students in grades nine through twelve;

32 (ii) A prototypical middle school has four hundred thirty-two
33 average annual full-time equivalent students in grades seven and eight;
34 and

35 (iii) A prototypical elementary school has four hundred average
36 annual full-time equivalent students in grades kindergarten through
37 six.

1 ~~((e))~~ (4)(a) The minimum allocation for each level of
2 prototypical school shall be based on the number of full-time
3 equivalent classroom teachers needed to provide instruction over the
4 minimum required annual instructional hours under RCW 28A.150.220 and
5 provide at least one teacher planning period per school day, and based
6 on ~~((an))~~ the following general education average class size ~~((as~~
7 ~~specified in the omnibus appropriations act.))~~ of full-time equivalent
8 students per teacher:

	<u>General education</u>
	<u>average</u>
	<u>class size</u>
12 <u>Grades K-3</u>	<u>25.23</u>
13 <u>Grade 4</u>	<u>27.00</u>
14 <u>Grades 5-6</u>	<u>27.00</u>
15 <u>Grades 7-8</u>	<u>28.53</u>
16 <u>Grades 9-12</u>	<u>28.74</u>

17 (b) During the 2011-2013 biennium and beginning with schools with
18 the highest percentage of students eligible for free and reduced-price
19 meals in the prior school year, the general education average class
20 size for grades K-3 shall be reduced until the average class size
21 funded under this subsection (4) is no more than 17.0 full-time
22 equivalent students per teacher beginning in the 2017-18 school year.

23 (c) The minimum allocation for each prototypical middle and high
24 school shall also provide for full-time equivalent classroom teachers
25 based on the following number of full-time equivalent students per
26 teacher in career and technical education:

	<u>Career and technical</u>
	<u>education average</u>
	<u>class size</u>
30 <u>Approved career and technical education offered at</u>	
31 <u>the middle school and high school level</u>	<u>26.57</u>
32 <u>Skill center programs meeting the standards established</u>	
33 <u>by the office of the superintendent of public instruction</u>	<u>22.76</u>

34 (d) In addition, the omnibus appropriations act shall at a minimum
35 specify:

36 (i) ~~((Basic average class size;~~

1 ~~(ii)–Basic~~) A high-poverty average class size in schools where
2 more than fifty percent of the students are eligible for free and
3 reduced-price meals; and

4 ~~((iii))~~) (ii) A specialty average class size for ~~((exploratory and
5 preparatory – career – and – technical – education,))~~ laboratory science,
6 advanced placement, and international baccalaureate courses~~((; and
7 (iv) Average class size in grades kindergarten through three))~~).

8 ~~((d))~~) (5) The minimum allocation for each level of prototypical
9 school shall include allocations for the following types of staff in
10 addition to classroom teachers:

11 ~~((i) – Principals, – including – assistant – principals, – and – other
12 certificated building-level administrators;~~

13 ~~(ii) Teacher librarians, performing functions including information
14 literacy, – technology, – and – media – to – support – school – library – media
15 programs;~~

16 ~~(iii) – Student – health – services, – a – function – that – includes – school
17 nurses, whether certificated instructional or classified employee, and
18 social workers;~~

19 ~~(iv) – Guidance – counselors, – performing – functions – including – parent
20 outreach and graduation advisor;~~

21 ~~(v) Professional development coaches;~~

22 ~~(vi) Teaching assistance, which includes any aspect of educational
23 instructional services provided by classified employees;~~

24 ~~(vii) – Office – support, – technology – support, – and – other
25 noninstructional aides;~~

26 ~~(viii) – Custodians, – warehouse, – maintenance, – laborer, – and
27 professional and technical education support employees; and~~

28 ~~(ix) Classified staff providing student and staff safety.~~

29 ~~(4)(a))~~

	<u>Elementary</u>	<u>Middle</u>	<u>High</u>
	<u>School</u>	<u>School</u>	<u>School</u>
30 <u>Principals, _ assistant _ principals, _ and _ other _ certificated _ building-level</u>			
31 <u>administrators</u>	<u>1.253</u>	<u>1.353</u>	<u>1.880</u>
32 <u>Teacher _ librarians, _ a _ function _ that _ includes _ information _ literacy,</u>			
33 <u>technology, and media to support school library media programs</u>	<u>0.663</u>	<u>0.519</u>	<u>0.523</u>
34 <u>Health and social services:</u>			

1	<u>School nurses</u>	<u>0.076</u>	<u>0.060</u>	<u>0.096</u>
2	<u>Social workers</u>	<u>0.042</u>	<u>0.006</u>	<u>0.015</u>
3	<u>Psychologists</u>	<u>0.017</u>	<u>0.002</u>	<u>0.007</u>
4	<u>Guidance counselors, a function that includes parent outreach and</u>			
5	<u>graduation advising</u>	<u>0.493</u>	<u>1.116</u>	<u>1.909</u>
6	<u>Teaching assistance, including any aspect of educational instructional</u>			
7	<u>services provided by classified employees</u>	<u>0.936</u>	<u>0.700</u>	<u>0.652</u>
8	<u>Office support and other noninstructional aides</u>	<u>2.012</u>	<u>2.325</u>	<u>3.269</u>
9	<u>Custodians</u>	<u>1.657</u>	<u>1.942</u>	<u>2.965</u>
10	<u>Classified staff providing student and staff safety</u>	<u>0.079</u>	<u>0.092</u>	<u>0.141</u>
11	<u>Parent involvement coordinators</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

12 (6)(a) The minimum staffing allocation for each school district to
13 provide district-wide support services shall be allocated per one
14 thousand annual average full-time equivalent students in grades K-12 as
15 follows:

16			<u>Staff per 1,000</u>	
17			<u>K-12 students</u>	
18	<u>Technology</u>			<u>0.628</u>
19	<u>Facilities, maintenance, and grounds</u>			<u>1.813</u>
20	<u>Warehouse, laborers, and mechanics</u>			<u>0.332</u>

21 (b) The minimum allocation of staff units for each school district
22 to support certificated and classified staffing of central
23 administration shall be 5.30 percent of the staff units generated under
24 subsections (4)(a) and (b) and (5) of this section and (a) of this
25 subsection.

26 (7) The distribution formula shall include staffing allocations to
27 school districts for career and technical education and skill center
28 administrative and other school-level certificated staff, as specified
29 in the omnibus appropriations act.

30 (8)(a) Except as provided in (b) of this subsection, the minimum
31 allocation for each school district shall include allocations per
32 annual average full-time equivalent student for the following
33 materials, supplies, and operating costs, to be adjusted for inflation
34 from the 2008-09 school year: (~~Student technology; utilities;~~
35 curriculum, textbooks, library materials, and instructional supplies;

~~instructional-professional-development-for-both-certificated-and
classified-staff; other-building-level-costs-including-maintenance,
custodial, and security; and central office administration.))~~

	<u>Per annual average</u> <u>full-time equivalent student</u> <u>in grades K-12</u>
<u>Technology</u>	<u>\$54.43</u>
<u>Utilities and insurance</u>	<u>\$147.90</u>
<u>Curriculum and textbooks</u>	<u>\$58.44</u>
<u>Other supplies and library materials</u>	<u>\$124.07</u>
<u>Instructional professional development for certified and classified staff</u>	<u>\$9.04</u>
<u>Facilities maintenance</u>	<u>\$73.27</u>
<u>Security and central office</u>	<u>\$50.76</u>

(b) ~~((The annual average full-time equivalent student amounts in
(a) of this subsection shall be enhanced))~~ During the 2011-2013
biennium, the minimum allocation for maintenance, supplies, and
operating costs shall be increased as specified in the omnibus
appropriations act. The following allocations, adjusted for inflation
from the 2007-08 school year, are provided in the 2015-16 school year,
after which the allocations shall be adjusted annually for inflation as
specified in the omnibus appropriations act:

	<u>Per annual average</u> <u>full-time equivalent student</u> <u>in grades K-12</u>
<u>Technology</u>	<u>\$113.80</u>
<u>Utilities and insurance</u>	<u>\$309.21</u>
<u>Curriculum and textbooks</u>	<u>\$122.17</u>
<u>Other supplies and library materials</u>	<u>\$259.39</u>
<u>Instructional professional development for certificated and classified staff</u>	<u>\$18.89</u>
<u>Facilities maintenance</u>	<u>\$153.18</u>
<u>Security and central office administration</u>	<u>\$106.12</u>

(9) In addition to the amounts provided in subsection (8) of this
section, the omnibus appropriations act shall provide an amount based
on full-time equivalent student enrollment in each of the following:

1 (a) Exploratory career and technical education courses for students
2 in grades seven through twelve;

3 (b) Laboratory science courses for students in grades nine through
4 twelve;

5 (c) Preparatory career and technical education courses for students
6 in grades nine through twelve offered in a high school; and

7 (d) Preparatory career and technical education courses for students
8 in grades eleven and twelve offered through a skill center.

9 ~~((5))~~ (10) In addition to the allocations otherwise provided
10 under ~~((subsections (3) and (4) of))~~ this section ~~((shall be enhanced~~
11 ~~as follows to provide additional allocations for classroom teachers and~~
12 ~~maintenance, supplies, and operating costs))~~, amounts shall be provided
13 to support the following programs and services:

14 (a) To provide supplemental instruction and services for
15 underachieving students through the learning assistance program under
16 RCW 28A.165.005 through 28A.165.065, allocations shall be based on the
17 ~~((percent))~~ district percentage of students in ~~((each school))~~ grades
18 K-12 who ~~((are))~~ were eligible for free ~~((and))~~ or reduced-price meals
19 in the prior school year. The minimum allocation for the ~~((learning~~
20 assistance)) program shall provide ~~((an extended school day and~~
21 extended school year)) for each level of prototypical school ~~((and a~~
22 per student allocation for maintenance, supplies, and operating costs))
23 resources to provide, on a statewide average, 1.5156 hours per week in
24 extra instruction with a class size of fifteen learning assistance
25 program students per teacher.

26 (b) To provide supplemental instruction and services for students
27 whose primary language is other than English, allocations shall be
28 based on the head count number of students in each school who are
29 eligible for and enrolled in the transitional bilingual instruction
30 program under RCW 28A.180.010 through 28A.180.080. The minimum
31 allocation for each level of prototypical school shall provide ~~((for~~
32 supplemental instruction based on percent of the school day a student
33 is assumed to receive supplemental instruction and a per student
34 allocation for maintenance, supplies, and operating costs)) resources
35 to provide, on a statewide average, 4.7780 hours per week in extra
36 instruction with fifteen transitional bilingual instruction program
37 students per teacher.

1 ~~((6) The allocations provided under subsections (3) and (4) of~~
2 ~~this section shall be enhanced)~~ (c) To provide additional allocations
3 to support programs for highly capable students under RCW 28A.185.010
4 through 28A.185.030, allocations shall be based on two and three
5 hundred fourteen one-thousandths percent of each school district's
6 full-time equivalent basic education enrollment. The minimum
7 allocation for the programs shall provide ~~((an extended school day and~~
8 ~~extended school year for each level of prototypical school and a per~~
9 ~~student allocation for maintenance, supplies, and operating costs))~~
10 resources to provide, on a statewide average, 2.1590 hours per week in
11 extra instruction with fifteen highly capable program students per
12 teacher.

13 ~~((7))~~ (11) The allocations under subsections ~~((3))~~ (4)(a) and
14 (b), ~~((c)(i), and (d), (4),)~~ (5), (6), and (8) of this section shall
15 be enhanced as provided under RCW 28A.150.390 on an excess cost basis
16 to provide supplemental instructional resources for students with
17 disabilities.

18 ~~((8) The distribution formula shall include allocations to school~~
19 ~~districts to support certificated and classified staffing of central~~
20 ~~office administration. The minimum allocation shall be calculated as~~
21 ~~a percentage, identified in the omnibus appropriations act, of the~~
22 ~~total allocations for staff under subsections (3) and (6) of this~~
23 ~~section for all schools in the district.~~

24 ~~(9))~~ (12)(a) For the purposes of allocations for prototypical high
25 schools and middle schools under subsections ~~((3))~~ (4) and ~~((5))~~
26 (10) of this section that are based on the percent of students in the
27 school who are eligible for free and reduced-price meals, the actual
28 percent of such students in a school shall be adjusted by a factor
29 identified in the omnibus appropriations act to reflect underreporting
30 of free and reduced-price meal eligibility among middle and high school
31 students.

32 (b) Allocations or enhancements provided under subsections ~~((3)~~
33 ~~and))~~ (4), (7), and (9) of this section for exploratory and preparatory
34 career and technical education courses shall be provided only for
35 courses approved by the office of the superintendent of public
36 instruction under chapter 28A.700 RCW.

37 ~~((10))~~ (13)(a) This formula for distribution of basic education

1 funds shall be reviewed biennially by the superintendent and governor.
2 The recommended formula shall be subject to approval, amendment or
3 rejection by the legislature.

4 (b) In the event the legislature rejects the distribution formula
5 recommended by the governor, without adopting a new distribution
6 formula, the distribution formula for the previous school year shall
7 remain in effect.

8 (c) The enrollment of any district shall be the annual average
9 number of full-time equivalent students and part-time students as
10 provided in RCW 28A.150.350, enrolled on the first school day of each
11 month, including students who are in attendance pursuant to RCW
12 28A.335.160 and 28A.225.250 who do not reside within the servicing
13 school district. The definition of full-time equivalent student shall
14 be determined by rules of the superintendent of public instruction and
15 shall be included as part of the superintendent's biennial budget
16 request. The definition shall be based on the minimum instructional
17 hour offerings required under RCW 28A.150.220. Any revision of the
18 present definition shall not take effect until approved by the house
19 ways and means committee and the senate ways and means committee.

20 (d) The office of financial management shall make a monthly review
21 of the superintendent's reported full-time equivalent students in the
22 common schools in conjunction with RCW 43.62.050.

23 **Sec. 3.** RCW 28A.150.390 and 2009 c 548 s 108 are each amended to
24 read as follows:

25 (1) The superintendent of public instruction shall submit to each
26 regular session of the legislature during an odd-numbered year a
27 programmed budget request for special education programs for students
28 with disabilities. Funding for programs operated by local school
29 districts shall be on an excess cost basis from appropriations provided
30 by the legislature for special education programs for students with
31 disabilities and shall take account of state funds accruing through RCW
32 28A.150.260 (~~((3)-(b),-(c)(i),-and-(d),-(4),-and-(8)-and-federal~~
33 ~~medical-assistance-and-private-funds-accruing-under-RCW-74.09.5249~~
34 ~~through 74.09.5253 and 74.09.5254 through 74.09.5256)) (4)(a) and (b),
35 (5), (6), and (8).~~

36 (2) The excess cost allocation to school districts shall be based
37 on the following:

1 (a) A district's annual average headcount enrollment of students
2 ages birth through four and those five year olds not yet enrolled in
3 kindergarten who are eligible for and enrolled in special education,
4 multiplied by the district's base allocation per full-time equivalent
5 student, multiplied by 1.15; and

6 (b) A district's annual average full-time equivalent basic
7 education enrollment, multiplied by the district's funded enrollment
8 percent, multiplied by the district's base allocation per full-time
9 equivalent student, multiplied by 0.9309.

10 (3) As used in this section:

11 (a) "Base allocation" means the total state allocation to all
12 schools in the district generated by the distribution formula under RCW
13 28A.150.260 (~~((3) (b), (c)(i), and (d), (4), and (8))~~) (4)(a) and (b),
14 (5), (6), and (8), to be divided by the district's full-time equivalent
15 enrollment.

16 (b) "Basic education enrollment" means enrollment of resident
17 students including nonresident students enrolled under RCW 28A.225.225
18 and students from nonhigh districts enrolled under RCW 28A.225.210 and
19 excluding students residing in another district enrolled as part of an
20 interdistrict cooperative program under RCW 28A.225.250.

21 (c) "Enrollment percent" means the district's resident special
22 education annual average enrollment, excluding students ages birth
23 through four and those five year olds not yet enrolled in kindergarten,
24 as a percent of the district's annual average full-time equivalent
25 basic education enrollment.

26 (d) "Funded enrollment percent" means the lesser of the district's
27 actual enrollment percent or twelve and seven-tenths percent.

28 **Sec. 4.** RCW 28A.150.315 and 2009 c 548 s 107 are each amended to
29 read as follows:

30 (1) Beginning with the 2007-08 school year, funding for voluntary
31 all-day kindergarten programs shall be phased-in beginning with schools
32 with the highest poverty levels, defined as those schools with the
33 highest percentages of students qualifying for free and reduced-price
34 lunch support in the prior school year. During the 2011-2013 biennium,
35 funding shall continue to be phased-in each year until full statewide
36 implementation of all-day kindergarten is achieved in the 2017-18
37 school year. Once a school receives funding for the all-day

1 kindergarten program, that school shall remain eligible for funding in
2 subsequent school years regardless of changes in the school's
3 percentage of students eligible for free and reduced-price lunches as
4 long as other program requirements are fulfilled. Additionally,
5 schools receiving all-day kindergarten program support shall agree to
6 the following conditions:

- 7 (a) Provide at least a one thousand-hour instructional program;
- 8 (b) Provide a curriculum that offers a rich, varied set of
9 experiences that assist students in:
 - 10 (i) Developing initial skills in the academic areas of reading,
11 mathematics, and writing;
 - 12 (ii) Developing a variety of communication skills;
 - 13 (iii) Providing experiences in science, social studies, arts,
14 health and physical education, and a world language other than English;
 - 15 (iv) Acquiring large and small motor skills;
 - 16 (v) Acquiring social and emotional skills including successful
17 participation in learning activities as an individual and as part of a
18 group; and
 - 19 (vi) Learning through hands-on experiences;
- 20 (c) Establish learning environments that are developmentally
21 appropriate and promote creativity;
- 22 (d) Demonstrate strong connections and communication with early
23 learning community providers; and
- 24 (e) Participate in kindergarten program readiness activities with
25 early learning providers and parents.

26 (2) Subject to funds appropriated for this purpose, the
27 superintendent of public instruction shall designate one or more school
28 districts to serve as resources and examples of best practices in
29 designing and operating a high-quality all-day kindergarten program.
30 Designated school districts shall serve as lighthouse programs and
31 provide technical assistance to other school districts in the initial
32 stages of implementing an all-day kindergarten program. Examples of
33 topics addressed by the technical assistance include strategic
34 planning, developing the instructional program and curriculum, working
35 with early learning providers to identify students and communicate with
36 parents, and developing kindergarten program readiness activities.

1 **Sec. 5.** 2009 c 548 s 112 (uncodified) is amended to read as
2 follows:

3 (1) The legislature intends to continue to redefine the
4 instructional program of education under RCW 28A.150.220 that fulfills
5 the obligations and requirements of Article IX of the state
6 Constitution. The funding formulas under RCW 28A.150.260 to support
7 the instructional program shall be implemented to the extent the
8 technical details of the formula have been established and according to
9 an implementation schedule to be adopted by the legislature. The
10 object of the schedule is to assure that any increases in funding
11 allocations are timely, predictable, and occur concurrently with any
12 increases in program or instructional requirements. It is the intent
13 of the legislature that no increased programmatic or instructional
14 expectations be imposed upon schools or school districts without an
15 accompanying increase in resources as necessary to support those
16 increased expectations.

17 (2) The office of financial management, with assistance and support
18 from the office of the superintendent of public instruction, shall
19 convene a technical working group to:

20 (a) Develop the details of the funding formulas under RCW
21 28A.150.260;

22 (b) Recommend to the legislature an implementation schedule for
23 phasing-in any increased program or instructional requirements
24 concurrently with increases in funding for adoption by the legislature;
25 and

26 (c) Examine possible sources of revenue to support increases in
27 funding allocations and present options to the legislature and the
28 quality education council created in (~~section 114 of this act~~) RCW
29 28A.290.010 for consideration.

30 (3) The working group shall include representatives of the
31 legislative evaluation and accountability program committee, school
32 district and educational service district financial managers, the
33 Washington association of school business officers, the Washington
34 education association, the Washington association of school
35 administrators, the association of Washington school principals, the
36 Washington state school directors' association, the public school
37 employees of Washington, and other interested stakeholders with

1 expertise in education finance. The working group may convene advisory
2 subgroups on specific topics as necessary to assure participation and
3 input from a broad array of diverse stakeholders.

4 (4) The working group shall be monitored and overseen by the
5 legislature and the quality education council established in (~~section~~
6 ~~114 of this act~~) RCW 28A.290.010. The working group shall submit its
7 recommendations to the legislature by December 1, 2009.

8 (5) After the 2009 report to the legislature, the office of
9 financial management and the office of the superintendent of public
10 instruction shall periodically reconvene the working group to monitor
11 and provide advice on further development and implementation of the
12 funding formulas under RCW 28A.150.260 and provide technical assistance
13 to the ongoing work of the quality education council.

14 **Sec. 6.** 2009 c 548 s 302 (uncodified) is amended to read as
15 follows:

16 (1) Beginning (~~July~~) April 1, 2010, the office of financial
17 management, with assistance and support from the office of the
18 superintendent of public instruction, shall convene a technical working
19 group to develop options for a new system of supplemental school
20 funding through local school levies and local effort assistance.

21 (2) The working group shall consider the impact on overall school
22 district revenues of the new basic education funding system established
23 under (~~this act~~) chapter 548, Laws of 2009 and shall recommend a
24 phase-in plan that ensures that no school district suffers a decrease
25 in funding from one school year to the next due to implementation of
26 the new system of supplemental funding.

27 (3) The working group shall also:

28 (a) Examine local school district capacity to address facility
29 needs associated with phasing-in full-day kindergarten across the state
30 and reducing class size in kindergarten through third grade; and

31 (b) Provide the quality education council with analysis on the
32 potential use of local funds that may become available for redeployment
33 and redirection as a result of increased state funding allocations for
34 pupil transportation and maintenance, supplies, and operating costs.

35 (4) The working group shall be composed of representatives from the
36 department of revenue, the legislative evaluation and accountability
37 program committee, school district and educational service district

1 financial managers, and representatives of the Washington association
2 of school business officers, the Washington education association, the
3 Washington association of school administrators, the association of
4 Washington school principals, the Washington state school directors'
5 association, the public school employees of Washington, and other
6 interested stakeholders with expertise in education finance. The
7 working group may convene advisory subgroups on specific topics as
8 necessary to assure participation and input from a broad array of
9 diverse stakeholders.

10 ((+4)) (5) The local funding working group shall be monitored and
11 overseen by the legislature and by the quality education council
12 created in ((section 114 of this act)) RCW 28A.290.010. The working
13 group shall report to the legislature ((December 1)) June 30, 2011.

14 **Sec. 7.** RCW 43.41.398 and 2009 c 548 s 601 are each amended to
15 read as follows:

16 (1) The legislature recognizes that providing students with the
17 opportunity to access a world-class educational system depends on our
18 continuing ability to provide students with access to world-class
19 educators. The legislature also understands that continuing to attract
20 and retain the highest quality educators will require increased
21 investments. The legislature intends to enhance the current salary
22 allocation model and recognizes that changes to the current model
23 cannot be imposed without great deliberation and input from teachers,
24 administrators, and classified employees. Therefore, it is the intent
25 of the legislature to begin the process of developing an enhanced
26 salary allocation model that is collaboratively designed to ensure the
27 rationality of any conclusions regarding what constitutes adequate
28 compensation.

29 (2) Beginning July 1, 2011, the office of the superintendent of
30 public instruction, in collaboration with the office of financial
31 management, shall convene a technical working group to recommend the
32 details of an enhanced salary allocation model that aligns state
33 expectations for educator development and certification with the
34 compensation system and establishes recommendations for a concurrent
35 implementation schedule. In addition to any other details the
36 technical working group deems necessary, the technical working group
37 shall make recommendations on the following:

- 1 (a) How to reduce the number of tiers within the existing salary
2 allocation model;
- 3 (b) How to account for labor market adjustments;
- 4 (c) How to account for different geographic regions of the state
5 where districts may encounter difficulty recruiting and retaining
6 teachers;
- 7 (d) The role of and types of bonuses available;
- 8 (e) Ways to accomplish salary equalization over a set number of
9 years; and
- 10 (f) Initial fiscal estimates for implementing the recommendations
11 including a recognition that staff on the existing salary allocation
12 model would have the option to grandfather in permanently to the
13 existing schedule.
- 14 (3) As part of its work, the technical working group shall conduct
15 or contract for a preliminary comparative labor market analysis of
16 salaries and other compensation for school district employees to be
17 conducted and shall include the results in any reports to the
18 legislature. For the purposes of this subsection, "salaries and other
19 compensation" includes average base salaries, average total salaries,
20 average employee basic benefits, and retirement benefits.
- 21 (4) The analysis required under subsection (1) of this section
22 must:
- 23 (a) Examine salaries and other compensation for teachers, other
24 certificated instructional staff, principals, and other building-level
25 certificated administrators, and the types of classified employees for
26 whom salaries are allocated;
- 27 (b) Be calculated at a statewide level that identifies labor
28 markets in Washington through the use of data from the United States
29 bureau of the census and the bureau of labor statistics; and
- 30 (c) Include a comparison of salaries and other compensation to the
31 appropriate labor market for at least the following subgroups of
32 educators: Beginning teachers and types of educational staff
33 associates.
- 34 (5) The working group shall include representatives of the
35 department of personnel, the professional educator standards board, the
36 office of the superintendent of public instruction, the Washington
37 education association, the Washington association of school
38 administrators, the association of Washington school principals, the

1 Washington state school directors' association, the public school
2 employees of Washington, and other interested stakeholders with
3 appropriate expertise in compensation related matters. The working
4 group may convene advisory subgroups on specific topics as necessary to
5 assure participation and input from a broad array of diverse
6 stakeholders.

7 (6) The working group shall be monitored and overseen by the
8 legislature and the quality education council created in RCW
9 28A.290.010. The working group shall make an initial report to the
10 legislature by (~~December 1~~) June 30, 2012, and shall include in its
11 report recommendations for whether additional further work of the group
12 is necessary.

13 **Sec. 8.** RCW 28A.160.192 and 2009 c 548 s 311 are each amended to
14 read as follows:

15 (1) The superintendent of public instruction shall phase-in the
16 implementation of the distribution formula under this chapter for
17 allocating state funds to school districts for the transportation of
18 students to and from school. The phase-in shall (~~be according to the~~
19 ~~implementation schedule adopted by the legislature and shall~~) begin no
20 later than the (~~2013-14 school year~~) 2011-2013 biennium and be fully
21 implemented by the 2013-2015 biennium.

22 (a) The formula must be developed and revised on an ongoing basis
23 using the major cost factors in student transportation, including basic
24 and special student loads, school district land area, average distance
25 to school, roadway miles, and number of locations served. Factors must
26 include all those site characteristics that are statistically
27 significant after analysis of the data required by the revised
28 reporting process.

29 (b) The formula must allocate funds to school districts based on
30 the average predicted costs of transporting students to and from
31 school, using a regression analysis.

32 (2) During the phase-in period, funding provided to school
33 districts for student transportation operations shall be distributed on
34 the following basis:

35 (a) Annually, each school district shall receive the lesser of the
36 previous school year's pupil transportation operations allocation, or
37 the total of allowable pupil transportation expenditures identified on

1 the previous school year's final expenditure report to the state plus
2 district indirect expenses using the state recovery rate identified by
3 the superintendent; and

4 (b) Annually, any funds appropriated by the legislature in excess
5 of the maintenance level funding amount for student transportation
6 shall be distributed among school districts on a prorated basis using
7 the difference between the amount identified in (a) of this subsection
8 and the amount determined under the formula in RCW 28A.160.180.

9 ~~((3) The superintendent shall develop, implement, and provide a
10 copy of the rules specifying the student transportation reporting
11 requirements to the legislature and school districts no later than
12 December 1, 2009.~~

13 ~~(4) Beginning in December 2009, and continuing until December 2014,
14 the superintendent shall provide quarterly updates and progress reports
15 to the fiscal committees of the legislature on the implementation and
16 testing of the distribution formula.))~~

17 NEW SECTION. **Sec. 9.** A new section is added to chapter 28A.160
18 RCW to read as follows:

19 (1) The superintendent of public instruction shall develop,
20 implement, and provide a copy of the rules specifying the student
21 transportation reporting requirements to the legislature and school
22 districts no later than December 1, 2010.

23 (2) Beginning in December 2010, and continuing until December 2014,
24 the superintendent shall provide quarterly updates and progress reports
25 to the fiscal committees of the legislature on the implementation and
26 testing of the distribution formula.

27 (3) This section expires June 30, 2015.

28 **Sec. 10.** RCW 28A.150.410 and 2007 c 403 s 1 are each amended to
29 read as follows:

30 (1) The legislature shall establish for each school year in the
31 appropriations act a statewide salary allocation schedule, for
32 allocation purposes only, to be used to distribute funds for basic
33 education certificated instructional staff salaries under RCW
34 28A.150.260. For the purposes of this section, the staff allocations
35 for classroom teachers, teacher librarians, guidance counselors, and

1 student health services staff under RCW 28A.150.260 are considered
2 allocations for certificated instructional staff.

3 (2) Salary allocations for state-funded basic education
4 certificated instructional staff shall be calculated by the
5 superintendent of public instruction by determining the district's
6 average salary for certificated instructional staff, using the
7 statewide salary allocation schedule and related documents, conditions,
8 and limitations established by the omnibus appropriations act.

9 (3) Beginning January 1, 1992, no more than ninety college quarter-
10 hour credits received by any employee after the baccalaureate degree
11 may be used to determine compensation allocations under the state
12 salary allocation schedule and LEAP documents referenced in the omnibus
13 appropriations act, or any replacement schedules and documents, unless:

- 14 (a) The employee has a master's degree; or
- 15 (b) The credits were used in generating state salary allocations
16 before January 1, 1992.

17 (4) Beginning in the 2007-08 school year, the calculation of years
18 of service for occupational therapists, physical therapists, speech-
19 language pathologists, audiologists, nurses, social workers,
20 counselors, and psychologists regulated under Title 18 RCW may include
21 experience in schools and other nonschool positions as occupational
22 therapists, physical therapists, speech-language pathologists,
23 audiologists, nurses, social workers, counselors, or psychologists.
24 The calculation shall be that one year of service in a nonschool
25 position counts as one year of service for purposes of this chapter, up
26 to a limit of two years of nonschool service. Nonschool years of
27 service included in calculations under this subsection shall not be
28 applied to service credit totals for purposes of any retirement benefit
29 under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement
30 system benefits.

31 ***Sec. 11. RCW 28A.175.010 and 2005 c 207 s 3 are each amended to**
32 **read as follows:**

33 **Each school district shall account for the educational progress of**
34 **each of its students. To achieve this, school districts shall be**
35 **required to report annually to the superintendent of public**
36 **instruction:**

1 (1) For students enrolled in each of a school district's high
2 school programs:

3 (a) The number of students who graduate in fewer than four years;

4 (b) The number of students who graduate in four years;

5 (c) The number of students who remain in school for more than four
6 years but who eventually graduate and the number of students who remain
7 in school for more than four years but do not graduate;

8 (d) The number of students who transfer to other schools;

9 (e) The number of students in the ninth through twelfth grade who
10 drop out of school over a four-year period; and

11 (f) The number of students whose status is unknown.

12 (2) Dropout rates of students in each of the grades seven through
13 twelve.

14 (3) Dropout rates for student populations in each of the grades
15 seven through twelve by:

16 (a) Ethnicity;

17 (b) Gender;

18 (c) Socioeconomic status; and

19 (d) Disability status.

20 (4) The causes or reasons, or both, attributed to students for
21 having dropped out of school in grades seven through twelve.

22 (5) The superintendent of public instruction shall adopt rules
23 under chapter 34.05 RCW to assure uniformity in the information
24 districts are required to report under subsections (1) through (4) of
25 this section. In developing rules, the superintendent of public
26 instruction shall consult with school districts, including
27 administrative and counseling personnel, with regard to the methods
28 through which information is to be collected and reported.

29 (6) In reporting on the causes or reasons, or both, attributed to
30 students for having dropped out of school, school building officials
31 shall, to the extent reasonably practical, obtain such information
32 directly from students. In lieu of obtaining such information directly
33 from students, building principals and counselors shall identify the
34 causes or reasons, or both, based on their professional judgment.

35 (7) The superintendent of public instruction shall report annually
36 to the legislature the information collected under subsections (1)
37 through (4) of this section.

1 (8) The Washington state institute for public policy shall
2 calculate an annual estimate of the savings to taxpayers resulting from
3 any improvement compared to the prior school year in the extended
4 graduation rate, as calculated by the superintendent of public
5 instruction. The superintendent shall include the estimate from the
6 institute in an appendix of the report required under subsection (7) of
7 this section, beginning with the 2010 report.

*Sec. 11 was vetoed. See message at end of chapter.

8 NEW SECTION. Sec. 12. A new section is added to chapter 28A.300
9 RCW to read as follows:

10 The office of the superintendent of public instruction shall
11 implement and maintain an internet-based portal that provides ready
12 public access to the state's prototypical school funding model for
13 basic education under RCW 28A.150.260. The portal must provide
14 citizens the opportunity to view, for each local school building, the
15 staffing levels and other prototypical school funding elements that are
16 assumed under the state funding formula. The portal must also provide
17 a matrix displaying how individual school districts are deploying those
18 same state resources through their allocation of staff and other
19 resources to school buildings, so that citizens are able to compare the
20 state assumptions to district allocation decisions for each local
21 school building.

22 **Sec. 13.** RCW 28A.150.100 and 1990 c 33 s 103 are each amended to
23 read as follows:

24 (1) For the purposes of this section and RCW 28A.150.410 and
25 28A.400.200, "basic education certificated instructional staff"
26 (~~shall~~) means all full-time equivalent classroom teachers, teacher
27 librarians, guidance counselors, certificated student health services
28 staff, and other certificated instructional staff in the following
29 programs as defined for statewide school district accounting purposes:
30 Basic education, secondary vocational education, general instructional
31 support, and general supportive services.

32 (2) (~~In the 1988-89 school year and thereafter,~~) Each school
33 district shall maintain a ratio of at least forty-six basic education
34 certificated instructional staff to one thousand annual average full
35 time equivalent students.

1 **Sec. 14.** 2009 c 548 s 710 (uncodified) is amended to read as
2 follows:

3 (1) RCW 28A.150.030 (School day) and 1971 ex.s. c 161 s 1 & 1969
4 ex.s. c 223 s 28A.01.010;

5 (2) RCW 28A.150.060 (Certificated employee) and 2005 c 497 s 212,
6 1990 c 33 s 102, 1977 ex.s. c 359 s 17, 1975 1st ex.s. c 288 s 21, &
7 1973 1st ex.s. c 105 s 1;

8 (3) (~~RCW 28A.150.100 (Basic education certificated instructional~~
9 ~~staff Definition Ratio to students) and 1990 c 33 s 103 & 1987 1st~~
10 ~~ex.s. c 2 s 203;~~

11 ~~(4))~~ RCW 28A.150.040 (School year--Beginning--End) and 1990 c 33
12 s 101, 1982 c 158 s 5, 1977 ex.s. c 286 s 1, 1975-'76 2nd ex.s. c 118
13 s 22, & 1969 ex.s. c 223 s 28A.01.020;

14 ~~((5))~~ (4) RCW 28A.150.370 (Additional programs for which
15 legislative appropriations must or may be made) and 1995 c 335 s 102,
16 1995 c 77 s 5, 1990 c 33 s 114, 1982 1st ex.s. c 24 s 1, & 1977 ex.s.
17 c 359 s 7; and

18 ~~((6))~~ (5) RCW 28A.155.180 (Safety net funds--Application--
19 Technical assistance--Annual survey) and 2007 c 400 s 8.

20 **Sec. 15.** RCW 28A.290.010 and 2009 c 548 s 114 are each amended to
21 read as follows:

22 (1) The quality education council is created to recommend and
23 inform the ongoing implementation by the legislature of an evolving
24 program of basic education and the financing necessary to support such
25 program. The council shall develop strategic recommendations on the
26 program of basic education for the common schools. The council shall
27 take into consideration the capacity report produced under RCW
28 28A.300.172 and the availability of data and progress of implementing
29 the data systems required under RCW 28A.655.210. Any recommendations
30 for modifications to the program of basic education shall be based on
31 evidence that the programs effectively support student learning. The
32 council shall update the statewide strategic recommendations every four
33 years. The recommendations of the council are intended to:

34 (a) Inform future educational policy and funding decisions of the
35 legislature and governor;

36 (b) Identify measurable goals and priorities for the educational
37 system in Washington state for a ten-year time period, including the

1 goals of basic education and ongoing strategies for coordinating
2 statewide efforts to eliminate the achievement gap and reduce student
3 dropout rates; and

4 (c) Enable the state of Washington to continue to implement an
5 evolving program of basic education.

6 (2) The council may request updates and progress reports from the
7 office of the superintendent of public instruction, the state board of
8 education, the professional educator standards board, and the
9 department of early learning on the work of the agencies as well as
10 educational working groups established by the legislature.

11 (3) The chair of the council shall be selected from the
12 councilmembers. The council shall be composed of the following
13 members:

14 (a) Four members of the house of representatives, with two members
15 representing each of the major caucuses and appointed by the speaker of
16 the house of representatives;

17 (b) Four members of the senate, with two members representing each
18 of the major caucuses and appointed by the president of the senate;
19 (~~and~~)

20 (c) One representative each from the office of the governor, office
21 of the superintendent of public instruction, state board of education,
22 professional educator standards board, and department of early
23 learning; and

24 (d) One nonlegislative representative from the achievement gap
25 oversight and accountability committee established under RCW
26 28A.300.136, to be selected by the members of the committee.

27 (4) In the 2009 fiscal year, the council shall meet as often as
28 necessary as determined by the chair. In subsequent years, the council
29 shall meet no more than four times a year.

30 (5)(a) The council shall submit an initial report to the governor
31 and the legislature by January 1, 2010, detailing its recommendations,
32 including recommendations for resolving issues or decisions requiring
33 legislative action during the 2010 legislative session, and
34 recommendations for any funding necessary to continue development and
35 implementation of chapter 548, Laws of 2009.

36 (b) The initial report shall, at a minimum, include:

37 (i) Consideration of how to establish a statewide beginning teacher
38 mentoring and support system;

1 (ii) Recommendations for a program of early learning for at-risk
2 children;

3 (iii) A recommended schedule for the concurrent phase-in of the
4 changes to the instructional program of basic education and the
5 implementation of the funding formulas and allocations to support the
6 new instructional program of basic education as established under
7 chapter 548, Laws of 2009. The phase-in schedule shall have full
8 implementation completed by September 1, 2018; and

9 (iv) A recommended schedule for phased-in implementation of the new
10 distribution formula for allocating state funds to school districts for
11 the transportation of students to and from school, with phase-in
12 beginning no later than September 1, 2013.

13 (6) The council shall submit a report to the governor and the
14 legislature by December 1, 2010, that includes:

15 (a) Recommendations for specific strategies, programs, and funding,
16 including funding allocations through the funding distribution formula
17 in RCW 28A.150.260, that are designed to close the achievement gap and
18 increase the high school graduation rate in Washington public schools.
19 The council shall consult with the achievement gap oversight and
20 accountability committee and the building bridges work group in
21 developing its recommendations; and

22 (b) Recommendations for assuring adequate levels of state-funded
23 classified staff to support essential school and district services.

24 (7) The council shall be staffed by the office of the
25 superintendent of public instruction and the office of financial
26 management. Additional staff support shall be provided by the state
27 entities with representatives on the committee. Senate committee
28 services and the house of representatives office of program research
29 may provide additional staff support.

30 ((+7)) (8) Legislative members of the council shall serve without
31 additional compensation but may be reimbursed for travel expenses in
32 accordance with RCW 44.04.120 while attending sessions of the council
33 or on official business authorized by the council. Nonlegislative
34 members of the council may be reimbursed for travel expenses in
35 accordance with RCW 43.03.050 and 43.03.060.

36 **Sec. 16.** 2009 c 548 s 805 (uncodified) is amended to read as
37 follows:

1 Sections 304 through 311 of this act take effect September 1,
2 ((2013)) 2011.

3 NEW SECTION. **Sec. 17.** 2009 c 548 s 112, as amended by section 5
4 of this act, is codified as a section in chapter 28A.290 RCW.

5 NEW SECTION. **Sec. 18.** RCW 43.41.398 is recodified as a section in
6 chapter 28A.400 RCW.

7 NEW SECTION. **Sec. 19.** Sections 2, 3, 4, 8, 10, 13, and 14 of this
8 act take effect September 1, 2011.

9 NEW SECTION. **Sec. 20.** Section 6 of this act is necessary for the
10 immediate preservation of the public peace, health, or safety, or
11 support of the state government and its existing public institutions,
12 and takes effect immediately.

Passed by the House March 11, 2010.

Passed by the Senate March 11, 2010.

Approved by the Governor March 29, 2010, with the exception of
certain items that were vetoed.

Filed in Office of Secretary of State March 30, 2010.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 11,
Substitute House Bill 2776 entitled:

"AN ACT Relating to funding distribution formulas for K-12
education."

Section 11 amends RCW 28.175.010 to add the requirement that the
Washington State Institute for Public Policy annually calculate
savings to taxpayers resulting from improved graduation rates. Since
this provision is also contained in Senate Bill 6403 which I am also
signing today, I am vetoing Section 11 in order to avoid a double
amendment regarding the same subject.

For this reason, I have vetoed Section 11 of Substitute House Bill 2776.
With the exception of Section 11, Substitute House Bill 2776 is
approved."



Appendix C

House Bill 2824

(Chapter 10, Laws of 2012 1st Special Session)

CERTIFICATION OF ENROLLMENT

HOUSE BILL 2824

Chapter 10, Laws of 2012

62nd Legislature
2012 1st Special Session

EDUCATION FUNDING

EFFECTIVE DATE: 07/10/12

Passed by the House April 10, 2012
Yeas 74 Nays 24

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 10, 2012
Yeas 28 Nays 20

BRAD OWEN

President of the Senate

Approved May 2, 2012, 2:07 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2824** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 2, 2012

**Secretary of State
State of Washington**

HOUSE BILL 2824

AS AMENDED BY THE SENATE

Passed Legislature - 2012 1st Special Session

State of Washington 62nd Legislature 2012 1st Special Session

By Representatives Eddy and Hunter

Read first time 04/03/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to addressing comprehensive funding for education
2 by developing a plan for full funding and by freeing certain existing
3 revenues for support of the basic education program; amending RCW
4 28A.600.405, 43.135.045, 67.70.340, and 83.100.230; reenacting and
5 amending RCW 28A.150.380 and 84.52.0531; repealing RCW 28A.505.210 and
6 28A.505.220; creating new sections; and providing an expiration date.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** (1) Legislation enacted in 2009 (chapter
9 548, Laws of 2009) and in 2010 (chapter 236, Laws of 2010) revised the
10 definition of the program of basic education, established new methods
11 for distributing state funds to school districts to support this
12 program of basic education, and provided an outline of specific
13 enhancements to the program of basic education that are required to be
14 implemented by 2018. In order to meet the required deadlines to
15 implement full funding of the enhancements, the joint task force in
16 section 2 of this act is created to develop and recommend options for
17 a permanent funding mechanism.

18 (2) Initiative Measure No. 728 (chapter 3, Laws of 2001) dedicated
19 a portion of state revenues to fund class size reductions and other

1 education improvements. Because class size reductions and similar
2 improvements are incorporated in the reforms that were enacted in
3 chapter 548, Laws of 2009, and chapter 236, Laws of 2010, and that are
4 being incrementally implemented through 2018, Initiative Measure No.
5 728 is repealed in order to make these dedicated revenues available for
6 implementation of basic education reform and to facilitate the funding
7 reform recommendations of the joint task force in section 2 of this
8 act.

9 (3) Nothing in this act alters or amends the elements included in
10 the school district levy base set forth in RCW 84.52.0531.

11 NEW SECTION. **Sec. 2.** (1) The joint task force on education
12 funding is established. The task force shall make recommendations on
13 how the legislature can meet the requirements outlined in chapter 548,
14 Laws of 2009 and chapter 236, Laws of 2010. In particular, the task
15 force shall develop a proposal for a reliable and dependable funding
16 mechanism to support basic education programs. At a minimum, the
17 proposed funding mechanism must support full implementation of the
18 programmatic enhancements required in chapter 548, Laws of 2009, and
19 chapter 236, Laws of 2010, including full-day kindergarten; reduced K-3
20 class size; increased allocations for maintenance, supplies, and
21 operating costs; and a new pupil transportation formula. The task
22 force shall also consider the specific recommendations for the
23 transitional bilingual instructional program from the quality education
24 council to the legislature dated January 6, 2012. It shall provide
25 recommendations for: Implementation of a scaled funding formula based
26 on levels of English language proficiency, a supplemental formula based
27 on students exiting the program due to demonstrated English language
28 proficiency, and implementing legislation.

29 (2)(a) The joint task force on education funding shall consist of
30 the following members:

31 (i) Eight legislators, with two members from each of the two
32 largest caucuses of the senate appointed by the president of the senate
33 and two members from each of the two largest caucuses of the house of
34 representatives appointed by the speaker of the house of
35 representatives; and

36 (ii) Three individuals, to be appointed by the governor.

1 (b) The task force may recommend multiple options, but shall
2 recommend one preferred alternative, including an outline of necessary
3 implementing legislation. Should the task force recommend an option to
4 fully fund the program of basic education with no new revenues, the
5 task force must identify what areas already in the budget would be
6 eliminated or reduced.

7 (c) The task force shall be staffed by the house of representatives
8 office of program research, senate committee services, and the office
9 of financial management, with assistance from the Washington state
10 institute for public policy and other agencies as necessary.

11 (3) The task force shall submit a final report to the legislature
12 by December 31, 2012.

13 **Sec. 3.** RCW 28A.150.380 and 2009 c 548 s 110 and 2009 c 479 s 16
14 are each reenacted and amended to read as follows:

15 (1) The state legislature shall, at each regular session in an odd-
16 numbered year, appropriate for the current use of the common schools
17 such amounts as needed for state support to school districts during the
18 ensuing biennium for the program of basic education under RCW
19 28A.150.200.

20 (2) In addition to those state funds provided to school districts
21 for basic education, the legislature may appropriate funds to be
22 distributed to school districts for other factors and for other special
23 programs to enhance or enrich the program of basic education.

24 ~~((3) The state legislature shall also, at each regular session in
25 an odd-numbered year, appropriate from the general fund and education
26 construction fund for the purposes of and in accordance with the
27 provisions of the student achievement act during the ensuing
28 biennium.))~~

29 **Sec. 4.** RCW 28A.600.405 and 2007 c 355 s 4 are each amended to
30 read as follows:

31 (1) For purposes of this section and RCW 28B.50.534, "eligible
32 student" means a student who has completed all state and local high
33 school graduation requirements except the certificate of academic
34 achievement under RCW 28A.655.061 or the certificate of individual
35 achievement under RCW 28A.155.045, who is less than age twenty-one as

1 of September 1st of the academic year the student enrolls at a
2 community and technical college under this section, and who meets the
3 following criteria:

4 (a) Receives a level 2 (basic) score on the reading and writing
5 content areas of the high school (~~Washington assessment of student~~
6 ~~learning~~) statewide student assessment;

7 (b) Has not successfully met state standards on a retake of the
8 assessment or an alternative assessment;

9 (c) Has participated in assessment remediation; and

10 (d) Receives a recommendation to enroll in courses or a program of
11 study made available under RCW 28B.50.534 from his or her high school
12 principal.

13 (2) An eligible student may enroll in courses or a program of study
14 made available by a community or technical college participating in the
15 pilot program created under RCW 28B.50.534 for the purpose of obtaining
16 a high school diploma.

17 (3) For eligible students in courses or programs delivered directly
18 by the community or technical college participating in the pilot
19 program under RCW 28B.50.534 and only for enrollment in courses that
20 lead to a high school diploma, the superintendent of public instruction
21 shall transmit to the colleges participating in the pilot program an
22 amount per each full-time equivalent college student at statewide
23 uniform rates. The amount shall be the sum of (a), (b), and (c) (~~and~~
24 ~~(d)~~) of this subsection, as applicable.

25 (a) The superintendent shall separately calculate and allocate
26 moneys appropriated for basic education under RCW 28A.150.260 for
27 purposes of making payments under this section. The calculations and
28 allocations shall be based upon the estimated statewide annual average
29 per full-time equivalent high school student allocations under RCW
30 28A.150.260, excluding small high school enhancements, and applicable
31 rules adopted under chapter 34.05 RCW.

32 (b) The superintendent shall allocate an amount equal to the per
33 funded student state allocation for the learning assistance program
34 under chapter 28A.165 RCW for each full-time equivalent college student
35 or a pro rata amount for less than full-time enrollment.

36 (c) (~~The superintendent shall allocate an amount equal to the per~~
37 ~~full-time equivalent student allocation for the student achievement~~

1 ~~program under RCW 28A.505.210 for each full-time equivalent college~~
2 ~~student or a pro rata amount for less than full-time enrollment.~~

3 (d)) For eligible students who meet eligibility criteria for the
4 state transitional bilingual instruction program under chapter 28A.180
5 RCW, the superintendent shall allocate an amount equal to the per
6 student state allocation for the transitional bilingual instruction
7 program or a pro rata amount for less than full-time enrollment.

8 (4) The superintendent may adopt rules establishing enrollment
9 reporting, recordkeeping, and accounting requirements necessary to
10 ensure accountability for the use of basic education, learning
11 assistance, and transitional bilingual program funds under this section
12 for the pilot program created under RCW 28B.50.534.

13 (5) All school districts in the geographic area of the two
14 community and technical colleges selected pursuant to section 8,
15 chapter 355, Laws of 2007 to participate in the pilot program shall
16 provide information about the high school completion option under RCW
17 28B.50.534 to students in grades ten, eleven, and twelve and the
18 parents or guardians of those students.

19 **Sec. 5.** RCW 43.135.045 and 2011 1st sp.s. c 50 s 950 are each
20 amended to read as follows:

21 The education construction fund is hereby created in the state
22 treasury.

23 (1) Funds may be appropriated from the education construction fund
24 exclusively for common school construction or higher education
25 construction. During the 2007-2009 fiscal biennium, funds may also be
26 used for higher education facilities preservation and maintenance.
27 During the 2009-2011 and 2011-2013 fiscal biennia, the legislature may
28 transfer from the education construction fund to the state general fund
29 such amounts as reflect the excess fund balance of the fund.

30 (2) Funds may be appropriated for any other purpose only if
31 approved by a two-thirds vote of each house of the legislature and if
32 approved by a vote of the people at the next general election. An
33 appropriation approved by the people under this subsection shall result
34 in an adjustment to the state expenditure limit only for the fiscal
35 period for which the appropriation is made and shall not affect any
36 subsequent fiscal period.

1 (3) (~~Funds for the student achievement program in RCW 28A.505.210~~
2 ~~and 28A.505.220 shall be appropriated to the superintendent of public~~
3 ~~instruction strictly for distribution to school districts to meet the~~
4 ~~provisions set out in the student achievement act. Allocations shall~~
5 ~~be made on an equal per full-time equivalent student basis to each~~
6 ~~school district.~~

7 (4)) After July 1, 2010, the state treasurer shall transfer one
8 hundred two million dollars from the general fund to the education
9 construction fund by June 30th of each year.

10 **Sec. 6.** RCW 67.70.340 and 2010 1st sp.s. c 27 s 4 are each amended
11 to read as follows:

12 (1) The legislature recognizes that creating a shared game lottery
13 could result in less revenue being raised by the existing state lottery
14 ticket sales. The legislature further recognizes that the fund most
15 impacted by this potential event is the Washington opportunity pathways
16 account. Therefore, it is the intent of the legislature to use some of
17 the proceeds from the shared game lottery to make up the difference
18 that the potential state lottery revenue loss would have on the
19 Washington opportunity pathways account. The legislature further
20 intends to use some of the proceeds from the shared game lottery to
21 fund programs and services related to problem and pathological
22 gambling.

23 (2) The Washington opportunity pathways account is expected to
24 receive one hundred two million dollars annually from state lottery
25 games other than the shared game lottery. For fiscal year 2011 and
26 thereafter, if the amount of lottery revenues earmarked for the
27 Washington opportunity pathways account is less than one hundred two
28 million dollars, the commission, after making the transfer required
29 under subsection (3) of this section, must transfer sufficient moneys
30 from revenues derived from the shared game lottery into the Washington
31 opportunity pathways account to bring the total revenue up to one
32 hundred two million dollars.

33 (3)(a) The commission shall transfer, from revenue derived from the
34 shared game lottery, to the problem gambling account created in RCW
35 43.20A.892, an amount equal to the percentage specified in (b) of this
36 subsection of net receipts. For purposes of this subsection, "net
37 receipts" means the difference between (i) revenue received from the

1 sale of lottery tickets or shares and revenue received from the sale of
2 shared game lottery tickets or shares; and (ii) the sum of payments
3 made to winners.

4 (b) In fiscal year 2006, the percentage to be transferred to the
5 problem gambling account is one-tenth of one percent. In fiscal year
6 2007 and subsequent fiscal years, the percentage to be transferred to
7 the problem gambling account is thirteen one-hundredths of one percent.

8 (4) The commission shall transfer the remaining net revenues, if
9 any, derived from the shared game lottery "Powerball" authorized in RCW
10 67.70.044(1) after the transfers pursuant to this section into the
11 state general fund for (~~the student achievement program under RCW~~
12 ~~28A.505.220~~) support for the program of basic education under RCW
13 28A.150.200.

14 (5) The remaining net revenues, if any, in the shared game lottery
15 account after the transfers pursuant to this section shall be deposited
16 into the Washington opportunity pathways account.

17 **Sec. 7.** RCW 83.100.230 and 2010 1st sp.s. c 37 s 953 are each
18 amended to read as follows:

19 The education legacy trust account is created in the state
20 treasury. Money in the account may be spent only after appropriation.
21 Expenditures from the account may be used only for (~~deposit into the~~
22 ~~student achievement fund~~) support of the common schools, and for
23 expanding access to higher education through funding for new
24 enrollments and financial aid, and other educational improvement
25 efforts. (~~During the 2009-2011 fiscal biennium, moneys in the account~~
26 ~~may also be transferred into the state general fund.~~)

27 **Sec. 8.** RCW 84.52.0531 and 2010 c 237 s 1 and 2010 c 99 s 11 are
28 each reenacted and amended to read as follows:

29 The maximum dollar amount which may be levied by or for any school
30 district for maintenance and operation support under the provisions of
31 RCW 84.52.053 shall be determined as follows:

32 (1) For excess levies for collection in calendar year 1997, the
33 maximum dollar amount shall be calculated pursuant to the laws and
34 rules in effect in November 1996.

35 (2) For excess levies for collection in calendar year 1998 and

1 thereafter, the maximum dollar amount shall be the sum of (a) plus or
2 minus (b), (c), and (d) of this subsection minus (e) of this
3 subsection:

4 (a) The district's levy base as defined in subsections (3) and (4)
5 of this section multiplied by the district's maximum levy percentage as
6 defined in subsection (6) of this section;

7 (b) For districts in a high/nonhigh relationship, the high school
8 district's maximum levy amount shall be reduced and the nonhigh school
9 district's maximum levy amount shall be increased by an amount equal to
10 the estimated amount of the nonhigh payment due to the high school
11 district under RCW 28A.545.030(3) and 28A.545.050 for the school year
12 commencing the year of the levy;

13 (c) Except for nonhigh districts under (d) of this subsection, for
14 districts in an interdistrict cooperative agreement, the nonresident
15 school district's maximum levy amount shall be reduced and the resident
16 school district's maximum levy amount shall be increased by an amount
17 equal to the per pupil basic education allocation included in the
18 nonresident district's levy base under subsection (3) of this section
19 multiplied by:

20 (i) The number of full-time equivalent students served from the
21 resident district in the prior school year; multiplied by:

22 (ii) The serving district's maximum levy percentage determined
23 under subsection (6) of this section; increased by:

24 (iii) The percent increase per full-time equivalent student as
25 stated in the state basic education appropriation section of the
26 biennial budget between the prior school year and the current school
27 year divided by fifty-five percent;

28 (d) The levy bases of nonhigh districts participating in an
29 innovation academy cooperative established under RCW 28A.340.080 shall
30 be adjusted by the office of the superintendent of public instruction
31 to reflect each district's proportional share of student enrollment in
32 the cooperative;

33 (e) The district's maximum levy amount shall be reduced by the
34 maximum amount of state matching funds for which the district is
35 eligible under RCW 28A.500.010.

36 (3) For excess levies for collection in calendar year 2005 and
37 thereafter, a district's levy base shall be the sum of allocations in
38 (a) through (c) of this subsection received by the district for the

1 prior school year and the amounts determined under subsection (4) of
2 this section, including allocations for compensation increases, plus
3 the sum of such allocations multiplied by the percent increase per full
4 time equivalent student as stated in the state basic education
5 appropriation section of the biennial budget between the prior school
6 year and the current school year and divided by fifty-five percent. A
7 district's levy base shall not include local school district property
8 tax levies or other local revenues, or state and federal allocations
9 not identified in (a) through (c) of this subsection.

10 (a) The district's basic education allocation as determined
11 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

12 (b) State and federal categorical allocations for the following
13 programs:

14 (i) Pupil transportation;

15 (ii) Special education;

16 (iii) Education of highly capable students;

17 (iv) Compensatory education, including but not limited to learning
18 assistance, migrant education, Indian education, refugee programs, and
19 bilingual education;

20 (v) Food services; and

21 (vi) Statewide block grant programs; and

22 (c) Any other federal allocations for elementary and secondary
23 school programs, including direct grants, other than federal impact aid
24 funds and allocations in lieu of taxes.

25 (4) For levy collections in calendar years 2005 through 2017, in
26 addition to the allocations included under subsection (3)(a) through
27 (c) of this section, a district's levy base shall also include the
28 following:

29 (a)(i) For levy collections in calendar year 2010, the difference
30 between the allocation the district would have received in the current
31 school year had RCW 84.52.068 not been amended by chapter 19, Laws of
32 2003 1st sp. sess. and the allocation the district received in the
33 current school year pursuant to RCW 28A.505.220;

34 (ii) For levy collections in calendar years 2011 through 2017,
35 (~~the difference between~~) the allocation rate the district would have
36 received in the prior school year using the Initiative 728 rate (~~and~~
37 ~~the allocation rate the district received in the prior school year~~

1 ~~pursuant to RCW 28A.505.220~~) multiplied by the full-time equivalent
2 student enrollment used to calculate the Initiative 728 allocation for
3 the prior school year; and

4 (b) The difference between the allocations the district would have
5 received the prior school year using the Initiative 732 base and the
6 allocations the district actually received the prior school year
7 pursuant to RCW 28A.400.205.

8 (5) For levy collections in calendar years 2011 through 2017, in
9 addition to the allocations included under subsections (3)(a) through
10 (c) and (4)(a) and (b) of this section, a district's levy base shall
11 also include the difference between an allocation of fifty-three and
12 two-tenths certificated instructional staff units per thousand full-
13 time equivalent students in grades kindergarten through four enrolled
14 in the prior school year and the allocation of certificated
15 instructional staff units per thousand full-time equivalent students in
16 grades kindergarten through four that the district actually received in
17 the prior school year, except that the levy base for a school district
18 whose allocation in the 2009-10 school year was less than fifty-three
19 and two-tenths certificated instructional staff units per thousand
20 full-time equivalent students in grades kindergarten through four shall
21 include the difference between the allocation the district actually
22 received in the 2009-10 school year and the allocation the district
23 actually received in the prior school year.

24 (6)(a) A district's maximum levy percentage shall be twenty-four
25 percent in 2010 and twenty-eight percent in 2011 through 2017 and
26 twenty-four percent every year thereafter;

27 (b) For qualifying districts, in addition to the percentage in (a)
28 of this subsection the grandfathered percentage determined as follows:

29 (i) For 1997, the difference between the district's 1993 maximum
30 levy percentage and twenty percent; and

31 (ii) For 2011 through 2017, the percentage calculated as follows:

32 (A) Multiply the grandfathered percentage for the prior year times
33 the district's levy base determined under subsection (3) of this
34 section;

35 (B) Reduce the result of (b)(ii)(A) of this subsection by any levy
36 reduction funds as defined in subsection (7) of this section that are
37 to be allocated to the district for the current school year;

1 (C) Divide the result of (b)(ii)(B) of this subsection by the
2 district's levy base; and

3 (D) Take the greater of zero or the percentage calculated in
4 (b)(ii)(C) of this subsection.

5 (7) "Levy reduction funds" shall mean increases in state funds from
6 the prior school year for programs included under subsections (3) and
7 (4) of this section: (a) That are not attributable to enrollment
8 changes, compensation increases, or inflationary adjustments; and (b)
9 that are or were specifically identified as levy reduction funds in the
10 appropriations act. If levy reduction funds are dependent on formula
11 factors which would not be finalized until after the start of the
12 current school year, the superintendent of public instruction shall
13 estimate the total amount of levy reduction funds by using prior school
14 year data in place of current school year data. Levy reduction funds
15 shall not include moneys received by school districts from cities or
16 counties.

17 (8) The definitions in this subsection apply throughout this
18 section unless the context clearly requires otherwise.

19 (a) "Prior school year" means the most recent school year completed
20 prior to the year in which the levies are to be collected.

21 (b) "Current school year" means the year immediately following the
22 prior school year.

23 (c) "Initiative 728 rate" means the allocation rate at which the
24 student achievement program would have been funded under chapter 3,
25 Laws of 2001, if all annual adjustments to the initial 2001 allocation
26 rate had been made in previous years and in each subsequent year as
27 provided for under chapter 3, Laws of 2001.

28 (d) "Initiative 732 base" means the prior year's state allocation
29 for annual salary cost-of-living increases for district employees in
30 the state-funded salary base as it would have been calculated under
31 chapter 4, Laws of 2001, if each annual cost-of-living increase
32 allocation had been provided in previous years and in each subsequent
33 year.

34 (9) Funds collected from transportation vehicle fund tax levies
35 shall not be subject to the levy limitations in this section.

36 (10) The superintendent of public instruction shall develop rules
37 and inform school districts of the pertinent data necessary to carry
38 out the provisions of this section.

1 (11) For calendar year 2009, the office of the superintendent of
2 public instruction shall recalculate school district levy authority to
3 reflect levy rates certified by school districts for calendar year
4 2009.

5 NEW SECTION. **Sec. 9.** The following acts or parts of acts are each
6 repealed:

7 (1) RCW 28A.505.210 (Student achievement funds--Use and accounting
8 of funds--Public hearing--Report) and 2009 c 479 s 17, 2005 c 497 s
9 105, & 2001 c 3 s 3; and

10 (2) RCW 28A.505.220 (Student achievement program--General fund
11 allocation) and 2011 1st sp.s. c 17 s 1.

12 NEW SECTION. **Sec. 10.** Section 8 of this act expires January 1,
13 2018.

Passed by the House April 10, 2012.

Passed by the Senate April 10, 2012.

Approved by the Governor May 2, 2012.

Filed in Office of Secretary of State May 2, 2012.



Appendix D

Roll Call on Votes

Adopted Spending Plan:

Aye: Senator Lisa Brown; Dr. Susan Enfield, Vice-Chair; Senator David Frockt; Representative Marcie Maxwell; Representative Pat Sullivan; Mary Lindquist; Jeff Vincent, Chair (absentee vote).

Nay: Representative Gary Alexander; Representative Susan Fagan.

Absent: Senator Joe Fain; Senator Steve Litzow.

Adopted Funding Options:

Aye: Senator Lisa Brown; Dr. Susan Enfield, Vice-Chair; Senator David Frockt; Representative Marcie Maxwell; Representative Pat Sullivan; Mary Lindquist.

Nay: Representative Gary Alexander; Representative Susan Fagan.

Abstain: Jeff Vincent, Chair (absentee vote).

Absent: Senator Joe Fain; Senator Steve Litzow.

Proposed Plan Not Adopted:

Aye: Representative Gary Alexander; Representative Susan Fagan.

Nay: Senator Lisa Brown; Dr. Susan Enfield, Vice-Chair; Senator David Frockt; Representative Marcie Maxwell; Representative Pat Sullivan; Mary Lindquist.

Absent: Senator Joe Fain; Senator Steve Litzow; Jeff Vincent, Chair.



Appendix E

Alternative Proposal (minority) Report

ALTERNATIVE PROPOSAL REPORT

TO: Joint Task Force on Education Funding
FROM: Rep. Gary Alexander, Rep. Susan Fagan, and Rep. Cathy Dahlquist
DATE: December 19, 2012
SUBJECT: Alternative Proposal from House Republican Appointees

Brief Summary

The majority report of the Joint Task Force on Education Funding fails in its duty to submit actionable recommendations to the Legislature on how to develop a reliable and dependable funding mechanism to support basic education programs. The majority also refused to recommend a preferred alternative, including an outline of necessary implementing legislation, as required by law.

Consequently, we are submitting a proposal to amply fund basic education as required by Article IX of the Washington State Constitution. Our proposal funds K-12 education first and fully, in accordance with the *McCleary* decision. Additionally, our proposal ensures that state resources are invested in reforms with the greatest impact on student achievement.

Draft legislation to implement our recommendations is included in Appendix A of this report. The bill is entitled "An Act Relating to complying with the state's constitutional duty to make ample provision for a basic education by prioritizing state funding for K-12 education and targeting state investments on reforms with the highest impact on student success."

Background

On January 5, 2012, in *McCleary v. State of Washington*, the state Supreme Court declared the state in violation of its constitutional duty to make ample provision for the education of Washington's children. The ruling was released publicly just days before the opening of the 2012 legislative session—a session where the Legislature faced another significant budget shortfall.

Basic education is a constitutionally mandatory expense. Regardless of our state's economic environment, we are obligated to provide our children with a quality education designed to prepare them for postsecondary education, gainful employment, and citizenship. While the state has a variety of important priorities, it has only one constitutionally paramount priority, and this priority is to amply fund basic education.

It is healthy to debate the appropriate role, size, and scope of state government—and whether or not citizens are willing to pay additional taxes to support those increased responsibilities—but education enjoys a special, constitutionally superior status when compared to other state programs and operations. Its funding must be stable and dependable; it should not be subject to the vagaries of the political process.

Comments on Majority Report

People—and legislators in particular—often have an aversion to setting priorities because it requires something to be deemed less important than something else. As legislators ourselves, we certainly understand this pressure. However, leadership requires (and the constitution demands) that education is the number one priority of state government, and we believe our budgeting process ought to reflect that fact. If everything is a priority, then nothing is a priority.

Despite the statutory charge specifically directing the task force to do a variety of things including “develop[ing] a proposal for a reliable and dependable funding mechanism to support basic education programs” and “recommend[ing] one preferred alternative, including an outline of necessary implementing legislation,” the majority report fails to provide any actionable recommendations. In fact, the majority actively avoids calling the tax options they are forwarding to the Legislature “recommendations.” The report seems to be engaging in what most generously can be described as purposeful ambiguity. Unfortunately, ambiguous recommendations (or non-recommendations) are of little use to the Legislature. As a member of the public pointed out during public testimony at the final Joint Task Force on Education Funding meeting, the majority report does nothing to “advance the ball” toward an education funding solution. Instead, we are just another year and another task force down the road with the same unwillingness to prioritize education.

Proposed Solution

Our main concern is that our children are being used as leverage to drive a tax increase to fund other, lower priority areas of state government. Although we feel that the needs of our students and our state can be met within existing resources, it is appropriate to debate whether citizens should pay more in taxes to support a more expansive state government, but we ask for an honest conversation that compares the true tradeoffs involved. When we as citizens are asked to increase taxes for education, what we are really being asked is to increase taxes so resources can be shifted into lower priority government programs. **By funding education first, fully, and separately, we can avoid the false choice between tax increases and educating our kids.** Funding education first means a more honest and responsible state budget.

Our proposal involves two main pieces. First and foremost, it involves changing the budgeting process to require that education appropriations be made in legislation other than the omnibus state operating budget. Our proposal requires that education be funded first and fully, before using remaining resources to fund other areas of state government.

Secondly, **our proposal reprioritizes the additional education funding called for in ESHB 2261 (2009) and SHB 2776 (2010) to focus first on funding reforms with the most impact on student success;** increased funding for education should come with increased expectations for results. In this prioritized approach, we propose that higher priority enhancements be fully funded before increasing funding for lower priority items. We recommend that increased investments be targeted as follows:

1. Full-Day Kindergarten

2. K-3 Class Size Reduction
3. Increased Instructional Hours in Grades 7-12
4. Enhanced Allocations for Materials, Supplies, and Operating Costs (MSOC)
5. Enhanced Allocations for Pupil Transportation

The appendix of this report includes draft legislation that will implement the proposal described above. This plan is actionable and will assure K-12 education is amply funded in our state. It is directly responsive to the *McCleary* decision, which affirmed that “paramount” in the context of the state’s Article IX duty means that the state must “amply provide for the education of all Washington children as the state’s first and highest priority before any other state programs or operations.”

In addition to providing draft legislation to implement this proposal, we have also established a funding plan to model when and in what amounts we would propose to phase in the enhancements included in ESHB 2261 and SHB 2776. Please note that the funding plan presented in this report varies slightly from the proposal discussed at the December 17, 2012 meeting of the Joint Task Force on Education Funding; this proposal moves the phase-in of the eighty additional instructional hours in grades 7-12 to the 2015-17 biennium from the 2017-19 biennium.

We propose that funding be phased in according to the following schedule:

- Funding full-day kindergarten (\$349 million) and one-half of K-3 class-size enhancements (\$575 million) in the 13-15 biennium;
- Funding the remaining K-3 class-size enhancements (\$576 million), additional instructional hours in grades 7-12 (\$211 million), and a portion of MSOC enhancements (\$566 million) in the 15-17 biennium; and
- Funding the remaining MSOC enhancements (\$989 million) and all pupil-transportation enhancements (\$232 million) in the 17-19 biennium.

Conclusion

We are disappointed the joint task force failed to make meaningful recommendations to the Legislature. Hopefully our recommendations will provide some value to legislators and the public. The lack of stable, dependable, and adequate funding for K-12 education is a problem that must be solved. We think the draft legislation included with this report goes a long way toward solving that problem.

Respectfully,

Gary Alexander
State Representative
20th Legislative District
Task Force Member

Susan Fagan
State Representative
9th Legislative District
Task Force Member

Cathy Dahlquist
State Representative
31st Legislative District
Task Force Alternate

Appendix A: Draft Legislation to Implement Alternative Proposal

AN ACT Relating to complying with the state's constitutional duty to make ample provision for a basic education by prioritizing state funding for K-12 education and targeting state investments on reforms with the highest impact on student success; amending RCW 28A.150.380, 28A.150.220, 28A.150.260, 28A.150.315, and 28A.160.192; adding a new section to chapter 44.04 RCW; creating a new section; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec. 1.1.1.** (1) Article IX of the Washington state Constitution specifies that "it is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex." In *McCleary v. State of Washington*, the Washington state supreme court affirmed that "paramount" in the context of Article IX means that the state must "amply provide for the education of all Washington children as the state's first and highest priority before any other state programs or operations." Therefore, to ensure compliance with the state's Article IX duty, the legislature intends to fund K-12 education first, fully, and separately, before any other state programs or operations.

(2) Furthermore, the legislature recognizes the critical importance of children's early academic years on their long-term success. A robust body of high-quality research shows that access to full-day kindergarten leads to greater academic achievement and better social-emotional outcomes. Smaller class sizes for our

youngest learners mean more opportunity to personalize instruction and provide early interventions for children. Therefore, in recognition of these facts and for educational policy reasons, the legislature intends to reprioritize the phase-in schedule for additional state investments found in chapter 236, Laws of 2010, to fully fund all-day kindergarten by the 2014-15 school year; K-3 class size reductions and increased instructional hours by the 2016-17 school year; and materials, supplies, and operating costs and pupil transportation by the 2018-19 school year.

NEW SECTION. **Sec. 1.1.2.** A new section is added to chapter 44.04 RCW to read as follows:

(1) Under Article IX, section 1 of the state Constitution, it is the paramount duty of the state to make ample provision for the education of all of Washington's children. According to the state supreme court, this constitutional provision requires that the legislature define and fully fund a program of K-12 basic education before the legislature funds any other statutory programs. For these reasons, it is the intent of the legislature to require that all appropriations for K-12 basic education, together with appropriations for other K-12 education programs, be enacted into law before the legislature takes executive action on other omnibus appropriations legislation.

(2) As of the effective date of this section, appropriations for the purposes of RCW 28A.150.380 and other K-12 education purposes must be enacted into law before it is in order for either house of the legislature to take executive action on omnibus operating or transportation appropriations legislation.

(3) The house of representatives and senate, jointly or separately, may adopt rules or resolutions to implement their respective responsibilities under this section.

Sec. 1.1.3. RCW 28A.150.380 and 2012 1st sp.s. c 10 s 3 are each amended to read as follows:

(1) The state legislature shall, at each regular session in an odd-numbered year, appropriate for the current use of the common schools such amounts as needed for state support to school districts during the ensuing biennium for the program of basic education under RCW 28A.150.200.

(2) In addition to those state funds provided to school districts for basic education, the legislature may appropriate funds to be distributed to school districts for other factors and for other special programs to enhance or enrich the program of basic education.

(3) As of the effective date of this section, appropriations for the purposes of this section and other K-12 education purposes must be made in legislation that is separate from the omnibus operating appropriations act. Such appropriations must be enacted into law before it is in order for either house of the legislature to take executive action on omnibus operating appropriations legislation.

(4) As of the effective date of this section, appropriations for the purposes of phasing-in enhanced state funding for all-day kindergarten; K-3 class size; increased minimum instructional hours; materials, supplies, and operating costs; and pupil transportation must be made in priority order as provided in this subsection. For the five items specified in this subsection, no increased appropriations beyond maintenance-level adjustments or adjustments to reflect changes in state allocations for employee salaries and benefits may be made for a lower priority item until funding for the next highest priority item is fully phased-in. The priority order for phasing-in enhanced state funding is as follows:

- (a) First priority: All-day kindergarten according to the timeline under RCW 28A.150.315;
- (b) Second priority: Reduced K-3 class size according to the timeline under RCW 28A.150.260(4) (b);
- (c) Third priority: Increased minimum instructional hours according to the timeline under RCW 28A.150.220(2) (a);
- (d) Fourth priority: Increased allocations for materials, supplies, and operating costs according to the timeline under RCW 28A.150.260(8) (b); and
- (e) Fifth priority: Increased allocations for pupil transportation according to the timeline under RCW 28A.160.192.

Sec. 1.1.4. RCW 28A.150.220 and 2011 1st sp.s. c 27 s 1 are each amended to read as follows:

(1) In order for students to have the opportunity to develop the basic education knowledge and skills under RCW 28A.150.210, school districts must provide instruction of sufficient quantity and quality and give students the opportunity to complete graduation requirements that are intended to prepare them for postsecondary education, gainful employment, and citizenship. The program established under this section shall be the minimum instructional program of basic education offered by school districts.

(2) Each school district shall make available to students the following minimum instructional offering each school year:

(a) For students enrolled in grades one through twelve, at least a district-wide annual average of one thousand hours, which shall be increased district-wide to at least one thousand eighty instructional hours for students enrolled in each of grades seven through twelve and at least one thousand instructional hours for students in each of grades one through six (~~according to an~~

~~implementation schedule adopted by the legislature, but not before the 2014-15))~~ beginning with the 2016-17 school year; and

(b) For students enrolled in kindergarten, at least four hundred fifty instructional hours, which shall be increased to at least one thousand instructional hours according to the implementation schedule under RCW 28A.150.315.

(3) The instructional program of basic education provided by each school district shall include:

(a) Instruction in the essential academic learning requirements under RCW 28A.655.070;

(b) Instruction that provides students the opportunity to complete twenty-four credits for high school graduation, subject to a phased-in implementation of the twenty-four credits as established by the legislature. Course distribution requirements may be established by the state board of education under RCW 28A.230.090;

(c) If the essential academic learning requirements include a requirement of languages other than English, the requirement may be met by students receiving instruction in one or more American Indian languages;

(d) Supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(e) Supplemental instruction and services for eligible and enrolled students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080;

(f) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020; and

(g) Programs for highly capable students under RCW 28A.185.010 through 28A.185.030.

(4) Nothing contained in this section shall be construed to require individual students to attend school for any particular number of hours per day or to take any particular courses.

(5) Each school district's kindergarten through twelfth grade basic educational program shall be accessible to all students who are five years of age, as provided by RCW 28A.225.160, and less than twenty-one years of age and shall consist of a minimum of one hundred eighty school days per school year in such grades as are conducted by a school district, and one hundred eighty half-days of instruction, or equivalent, in kindergarten, to be increased to a minimum of one hundred eighty school days per school year according to the implementation schedule under RCW 28A.150.315. However, effective May 1, 1979, a school district may schedule the last five school days of the one hundred and eighty day school year for noninstructional purposes in the case of students who are graduating from high school, including, but not limited to, the observance of graduation and early release from school upon the request of a student, and all such students may be claimed as a full-time equivalent student to the extent they could otherwise have been so claimed for the purposes of RCW 28A.150.250 and 28A.150.260.

(6) Nothing in this section precludes a school district from enriching the instructional program of basic education, such as offering additional instruction or providing additional services, programs, or activities that the school district determines to be appropriate for the education of the school district's students.

(7) The state board of education shall adopt rules to implement and ensure compliance with the program requirements imposed by this section, RCW 28A.150.250 and 28A.150.260, and such

related supplemental program approval requirements as the state board may establish.

Sec. 1.1.5. RCW 28A.150.260 and 2011 1st sp.s. c 27 s 2 are each amended to read as follows:

The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under RCW 28A.150.220. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula for the distribution of a basic education instructional allocation for each common school district.

(2) The distribution formula under this section shall be for allocation purposes only. Except as may be required under chapter 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(3) (a) To the extent the technical details of the formula have been adopted by the legislature and except when specifically provided as a school district allocation, the distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical

schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school staff. It is the intent that the funding allocations to school districts be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school to the extent that data is available. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) For the purposes of this section, prototypical schools are defined as follows:

(i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;

(ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and

(iii) A prototypical elementary school has four hundred average annual full-time equivalent students in grades kindergarten through six.

(4) (a) The minimum allocation for each level of prototypical school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum

required annual instructional hours under RCW 28A.150.220 and provide at least one teacher planning period per school day, and based on the following general education average class size of full-time equivalent students per teacher:

.....	General education
.....	average
.....	class size
Grades K-3	25.23
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(b) (~~During the 2011-2013 biennium~~) Following the priority order and provisions of RCW 28A.150.380 and beginning with schools with the highest percentage of students eligible for free and reduced-price meals in the prior school year, the general education average class size for grades K-3 shall be reduced until the average class size funded under this subsection (4) is no more than 17.0 full-time equivalent students per teacher beginning in the (~~2017-18~~) 2016-17 school year.

(c) The minimum allocation for each prototypical middle and high school shall also provide for full-time equivalent classroom teachers based on the following number of full-time equivalent students per teacher in career and technical education:

.....	Career and technical
.....	education average
.....	class size
Approved career and technical education offered at	

the middle school and high school level 26.57
Skill center programs meeting the standards established
by the office of the superintendent of public
instruction 22.76

(d) In addition, the omnibus appropriations act shall at a minimum specify:

(i) A high-poverty average class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals; and

(ii) A specialty average class size for laboratory science, advanced placement, and international baccalaureate courses.

(e) Funding enhancements in addition to the allocations provided in this section to support increased instructional hours required under RCW 28A.150.220(2)(a) shall be specified in the omnibus appropriations act, following the priority order and provisions of RCW 28A.150.380.

(5) The minimum allocation for each level of prototypical school shall include allocations for the following types of staff in addition to classroom teachers:

	Elementary School	Middle School	High School
Principals, assistant principals, and other certificated building-level administrators	1.253	1.353	1.880
Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs	0.663	0.519	0.523

Health and social services:

School nurses	0.076	0.060	0.096
Social workers	0.042	0.006	0.015
Psychologists	0.017	0.002	0.007
Guidance counselors, a function that includes parent outreach and graduation advising	0.493	1.116	1.909
Teaching assistance, including any aspect of educational instructional services provided by classified employees	0.936	0.700	0.652
Office support and other noninstructional aides	2.012	2.325	3.269
Custodians	1.657	1.942	2.965
Classified staff providing student and staff safety	0.079	0.092	0.141
Parent involvement coordinators	0.00	0.00	0.00

(6) (a) The minimum staffing allocation for each school district to provide district-wide support services shall be allocated per one thousand annual average full-time equivalent students in grades K-12 as follows:

.....	Staff per 1,000
.....	K-12 students
Technology	0.628
Facilities, maintenance, and grounds	1.813
Warehouse, laborers, and mechanics	0.332

(b) The minimum allocation of staff units for each school district to support certificated and classified staffing of central administration shall be 5.30 percent of the staff units generated under subsections (4) (a) and (b) and (5) of this section and (a) of this subsection.

(7) The distribution formula shall include staffing allocations to school districts for career and technical education and skill center administrative and other school-level certificated staff, as specified in the omnibus appropriations act.

(8) (a) Except as provided in (b) of this subsection, the minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following materials, supplies, and operating costs, to be adjusted for inflation from the 2008-09 school year:

.....	Per annual average	
.....	full-time equivalent student	
.....	in grades K-12	
Technology		\$54.43
Utilities and insurance		\$147.90
Curriculum and textbooks		\$58.44
Other supplies and library materials		\$124.07
Instructional professional development for certified and classified staff		\$9.04
Facilities maintenance		\$73.27
Security and central office		\$50.76

(b) (~~During the 2011-2013 biennium,~~) The minimum allocation for (~~maintenance~~) materials, supplies, and operating costs shall be increased as specified in the omnibus appropriations act

following the priority order and provisions of RCW 28A.150.380.
 The following allocations, adjusted for inflation from the 2007-08 school year, are provided in the ((2015-16)) 2018-19 school year, after which the allocations shall be adjusted annually for inflation as specified in the omnibus appropriations act:

.....	Per annual average	
.....	full-time equivalent student	
.....	in grades K-12	
Technology		\$113.80
Utilities and insurance		\$309.21
Curriculum and textbooks		\$122.17
Other supplies and library materials		\$259.39
Instructional professional development for certificated and classified staff		\$18.89
Facilities maintenance		\$153.18
Security and central office administration.....		\$106.12

(9) In addition to the amounts provided in subsection (8) of this section, the omnibus appropriations act shall provide an amount based on full-time equivalent student enrollment in each of the following:

(a) Exploratory career and technical education courses for students in grades seven through twelve;

(b) Laboratory science courses for students in grades nine through twelve;

(c) Preparatory career and technical education courses for students in grades nine through twelve offered in a high school;
and

(d) Preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center.

(10) In addition to the allocations otherwise provided under this section, amounts shall be provided to support the following programs and services:

(a) To provide supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the district percentage of students in grades K-12 who were eligible for free or reduced-price meals in the prior school year. The minimum allocation for the program shall provide for each level of prototypical school resources to provide, on a statewide average, 1.5156 hours per week in extra instruction with a class size of fifteen learning assistance program students per teacher.

(b) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the head count number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080. The minimum allocation for each level of prototypical school shall provide resources to provide, on a statewide average, 4.7780 hours per week in extra instruction with fifteen transitional bilingual instruction program students per teacher. Notwithstanding other provisions of this subsection (10), the actual per-student allocation may be scaled to provide a larger allocation for students needing more intensive intervention and a commensurate reduced allocation for students needing less intensive intervention, as detailed in the omnibus appropriations act.

(c) To provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, allocations shall be based on two and three hundred fourteen one-thousandths percent of each school district's full-time equivalent basic education enrollment. The minimum allocation for the programs shall provide resources to provide, on a statewide average, 2.1590 hours per week in extra instruction with fifteen highly capable program students per teacher.

(11) The allocations under subsections (4)(a) and (b), (5), (6), and (8) of this section shall be enhanced as provided under RCW 28A.150.390 on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(12)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (4) and (10) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (4), (7), and (9) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(13)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature.

(b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new

distribution formula, the distribution formula for the previous school year shall remain in effect.

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction and shall be included as part of the superintendent's biennial budget request. The definition shall be based on the minimum instructional hour offerings required under RCW 28A.150.220. Any revision of the present definition shall not take effect until approved by the house ways and means committee and the senate ways and means committee.

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

Sec. 1.1.6. RCW 28A.150.315 and 2012 c 51 s 1 are each amended to read as follows:

(1) Beginning with the 2007-08 school year, funding for voluntary all-day kindergarten programs shall be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. (~~((During the 2011-2013 biennium,))~~) Funding shall continue to be phased-in (~~((each year))~~) following the priority order and provisions of RCW 28A.150.380 until full statewide implementation of all-day kindergarten is achieved in the ~~((2017-18))~~ 2014-15 school year. Once a school receives funding for the all-day

kindergarten program, that school shall remain eligible for funding in subsequent school years regardless of changes in the school's percentage of students eligible for free and reduced-price lunches as long as other program requirements are fulfilled. Additionally, schools receiving all-day kindergarten program support shall agree to the following conditions:

(a) Provide at least a one thousand-hour instructional program;

(b) Provide a curriculum that offers a rich, varied set of experiences that assist students in:

(i) Developing initial skills in the academic areas of reading, mathematics, and writing;

(ii) Developing a variety of communication skills;

(iii) Providing experiences in science, social studies, arts, health and physical education, and a world language other than English;

(iv) Acquiring large and small motor skills;

(v) Acquiring social and emotional skills including successful participation in learning activities as an individual and as part of a group; and

(vi) Learning through hands-on experiences;

(c) Establish learning environments that are developmentally appropriate and promote creativity;

(d) Demonstrate strong connections and communication with early learning community providers; and

(e) Participate in kindergarten program readiness activities with early learning providers and parents.

(2)(a) It is the intent of the legislature that administration of the Washington kindergarten inventory of developing skills as required in this subsection (2) and RCW 28A.655.080 replace administration of other assessments being required by school

districts or that other assessments only be administered if they seek to obtain information not covered by the Washington kindergarten inventory of developing skills.

(b) In addition to the requirements in subsection (1) of this section and to the extent funds are available, beginning with the 2011-12 school year on a voluntary basis, schools must identify the skills, knowledge, and characteristics of kindergarten students at the beginning of the school year in order to support social-emotional, physical, and cognitive growth and development of individual children; support early learning provider and parent involvement; and inform instruction. Kindergarten teachers shall administer the Washington kindergarten inventory of developing skills, as directed by the superintendent of public instruction in consultation with the department of early learning and in collaboration with the nongovernmental private-public partnership designated in RCW 43.215.070, and report the results to the superintendent. The superintendent shall share the results with the director of the department of early learning.

(c) School districts shall provide an opportunity for parents and guardians to excuse their children from participation in the Washington kindergarten inventory of developing skills.

(3) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate one or more school districts to serve as resources and examples of best practices in designing and operating a high-quality all-day kindergarten program. Designated school districts shall serve as lighthouse programs and provide technical assistance to other school districts in the initial stages of implementing an all-day kindergarten program. Examples of topics addressed by the technical assistance include strategic planning, developing the instructional program and curriculum, working with early learning

providers to identify students and communicate with parents, and developing kindergarten program readiness activities.

Sec. 1.1.7. RCW 28A.160.192 and 2011 1st sp.s. c 27 s 3 are each amended to read as follows:

(1) The superintendent of public instruction shall phase-in the implementation of the distribution formula under this chapter for allocating state funds to school districts for the transportation of students to and from school. The phase-in shall begin no later than the 2011-2013 biennium, follow the priority order and provisions of RCW 28A.150.380, and be fully implemented by the (~~(2013-2015 biennium)~~) 2018-19 school year.

(a) The formula must be developed and revised on an ongoing basis using the major cost factors in student transportation, including basic and special student loads, school district land area, average distance to school, roadway miles, and number of locations served. Factors must include all those site characteristics that are statistically significant after analysis of the data required by the revised reporting process.

(b) The formula must allocate funds to school districts based on the average predicted costs of transporting students to and from school, using a regression analysis. Only factors that are statistically significant shall be used in the regression analysis. Employee compensation costs included in the allowable transportation expenditures used for the purpose of establishing each school district's independent variable in the regression analysis shall be limited to the base salary or hourly wage rates, fringe benefit rates, and applicable health care rates provided in the omnibus appropriations act.

(2) During the phase-in period, funding provided to school districts for student transportation operations shall be distributed on the following basis:

(a) Annually, each school district shall receive the lesser of the previous school year's pupil transportation operations allocation, or the total of allowable pupil transportation expenditures identified on the previous school year's final expenditure report to the state plus district indirect expenses using the federal restricted indirect rate as calculated in the district annual financial report;

(b) Annually, the amount identified in (a) of this subsection shall be adjusted for any budgeted increases provided in the omnibus appropriations act for salaries or fringe benefits;

(c) Annually, any funds appropriated by the legislature in excess of the maintenance level funding amount for student transportation shall be distributed among school districts on a prorated basis using the difference between the amount identified in (a) adjusted by (b) of this subsection and the amount determined under the formula in RCW 28A.160.180; and

(d) Allocations provided to recognize the cost of depreciation to districts contracting with private carriers for student transportation shall be deducted from the allowable transportation expenditures in (a) of this subsection.

NEW SECTION. **Sec. 1.1.8.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.