

Full Funding Coalition Bill Summary

Part 1 – Basic Education

1. **Findings and Intent** – Section 101 cites the state constitution that “It is the paramount duty of the state to make ample provision for the education of all children..” residing within the state. Factors establishing that state funding is not ample are cited. States the purpose of the act is to establish a new funding system that will provide adequate resources phased-in over the next six years with greater flexibility for schools provided they meet new accountability provisions.
2. **Goals of the Basic Education Act** – Section 102 includes schools in the requirement that school districts provide educational opportunities to individual students.
3. **Full Day Kindergarten** - Sections 103-105 amend the basic education definition to include state funding of full-day kindergarten to be fully phased-in for all districts by the 2013-14 school year.
4. **Regular Basic Education Formula** - Section 106 amends the statutory basic education allocation formula as follows:
 - a. Grades K-3 Certificated Instructional Staff (CIS) per 1000 students
2008-09 School Year = 53.20 CIS per 1000 students (1 CIS/18.8 Students) **
2009-10 School Year = 56.37 CIS per 1000 students (1 CIS/17.7 Students)
2010-11 School Year = 59.56 CIS per 1000 students (1 CIS/16.8 Students)
 - b. Grades 4-12 Certificated Instructional Staff (CIS) per 1000 students **
2008-09 School Year = 46.00 CIS per 1000 students (1 CIS/21.7 Students)
2009-10 School Year = 47.07 CIS per 1000 students (1 CIS/21.2 Students)
2010-11 School Year = 48.14 CIS per 1000 students (1 CIS/20.8 Students)
 - c. Classified Staff (CLS) per 1000 students
2008-09 School Year = 17.00 CLS per 1000 students (1 CLS/58.8 Students)
2009-10 School Year = 17.21 CLS per 1000 students (1 CLS/58.1 Students)
2010-11 School Year = 17.41 CLS per 1000 students (1 CLS/57.4 Students)
 - d. The formula expires August 31, 2011

** Note that the Basic Education Act requires provision of 49 CIS per 1000 students in grades K-3 and 46/1000 in grades 4-12. The appropriations act funds the K-4 staffing ratio at 53.2/1000 as a non-basic education enhancement.

5. **Replacement Prototype School Basic Education Formula** - Section 107 creates expectation that the legislature will adopt a replacement basic education allocation formula for the 2012-12 school year based on its considerations of recommendations of the commission for quality education in Washington created in section 203 that is based on prototype schools and includes funding for the regular education of students, special education, bilingual and learning assistance.
6. **Basic Education Definition Includes Ancillary Programs** - Section 108 amends the definition of basic education to include regular education of students and ancillary basic education programs consisting of pupil transportation, special education, learning assistance and bilingual. Beginning with the 2011-12 school year authorizes funding for ancillary basic education programs to be allocated as separate categorical programs or combined into one program that also includes the basic education allocation.
7. **Student Achievement Fund (I-728)** – Section 109 provides that in 2011-12, the legislature may incorporate I-728 funds into a new foundation formula as recommended by the commission for quality education in Washington.
8. **Learning Improvement Days** – Section 110 requires that the salary allocation schedule include 3.2 learning improvement days in 2009-10 and 4.3 days in 2010-11. In ensuing school years, additional learning improvement days, including amounts available from I-728 funds shall be phased-in considering recommendations from the commission. Appropriations act requirements concerning use of learning improvement days are codified.
9. **Pupil Transportation** - Section 111 declares that funds allocated for transportation costs are an additional basic education allocation.
10. **Bilingual Instruction Programs** – Section 112, starting 2011-12, authorizes inclusion of bilingual instruction funds into a foundation formula along with other programs as provided in section 108.

Part 2 – Two Way Accountability and the Commission for Quality Education in Washington (CQEW)

1. **Legislative Intent and Findings regarding the Commission** - Section 201 lays out the need for and rationale for a commission accountable to the governor and the legislature.

2. **Composition of CQEW** – Section 202 creates an eleven member commission, whose membership includes the Superintendent of Public Instruction and ten members appointed by the Governor of which five must be from the educational system. Terms, compensation and other operating procedures are specified.
3. **Powers and Duties of the Commission** - Section 203 enumerates the various powers and duties of the commission including determining the resources necessary to make ample provision for the education of all Washington students. The commission must develop expected performance of Washington schools at full funded levels based on prototype schools. The purpose is to establish performance expectations of schools in relation to the percent of full funding provided. The commission is required to prepare a technical report annually to the governor, the superintendent of public instruction and the legislature and a non-technical report to the public, both starting on December 1, 2010.

Part 3 – Accountability and Expectations of a Successfully Functioning Fully Funded K-12 Education System

1. **Purpose of new accountability system** – Section 301 declares that state expectations need to transition from inputs to accountability for performance based on multiple measures. Districts would be held accountable for outcomes in proportion to the state funding provided and would exercise local control in meeting the state's performance objectives. Struggling schools and districts would receive progressive levels of support and assistive measures.

By December 1, 2010, the state board of education, the superintendent of public instruction and the professional educator standards board must report to the governor and the legislature on ways to measure and implement a number of accountability measures concerning schools, students, teachers, classroom practices, central and administration.

Part 4 – Resources for Implementing Full Funding of Basic Education

1. **Full Funding of Basic Education Account** – Section 401 creates a new appropriated account in the state treasury to be expended solely for the following:
 - a. To improve certificated instructional and classified staff per student ratios in state basic education allocation formulas above maintenance levels;
 - b. To increase state funding of non employee-related costs in basic education formulas above maintenance levels;
 - c. To phase-in full-day kindergarten for additional schools;
 - d. To increase the percentage of levy equalization above 12 percent.

The funds may not be used for state maintenance level budget adjustments from one school year to the next and may only be used for the formula improvements specified above.

2. **Assign Portion of State Revenue Increases to the Full Funding of Basic Education Account** – Section 402 provides by September 30, 2009 and each odd-numbered year thereafter, if prior biennium general state revenues exceed the previous biennium's revenues by more than 5 percent, then subject to appropriation, the treasurer shall transfer 50 percent of the amount over 5 percent to the full funding of basic education account.
3. **Recapturing Uncollected State Property Tax Authority**-- Section 403 reduces state levy authority from 3.60 per \$1000 of assessed value to \$3.35 per \$1000. Establishes a new regular twenty-five cent levy per \$1000 to be used exclusively for the purposes authorized in the full funding of basic education account. Section 404 exempts this new levy from the one percent limit factor.

Part 5 – Miscellaneous Provisions

1. Sections 501 and 502 make technical changes in the levy lid statute as a result of changes in the definition of basic education in Part I of this act.
 2. Sections 503, 504 and 505 serve as guidance to the code reviser in codifying this act.
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Additions and Amendments to the State Appropriations Act

1. **Accounting for Maintenance and Operation Levy Revenues** - adds the following proviso to Section 501 of Appropriations Act pertaining to the Office of the Superintendent of Public Instruction:

() Effective for the 2010-11 school year, the Superintendent shall make the necessary changes in the accounting manual requiring school districts to account for expenditures of maintenance and operations levy revenues as a separate program or programs.
2. **Struggling Students** – Amend the Learning Assistance Program section to provide additional tutors by changing the funding formula. It decreases the number of students per staff from 146 students/staff in 2008-09 to 130 students/staff in 2009-10 and 114 students/staff in 2010-11. Since this formula is allocated on a dollar per student basis, the allocated amount per student increases from \$290.94 per student to \$447.79 in 2009-10 and from \$291.66 per student to \$610.91 in 2010-11.

3. **Non-Employee Related Costs (NERC)**- The regular NERC allocation per formula generated certificated staff is increased from \$10,440 to \$11,484 in 2009-10 and from \$10,648 to \$12,885 in 2010-11.
4. **K-12 Staff Compensation Adjustments** – Provides additional cost of living adjustments above amounts required by Initiative Measure No. 732, of 3.0 percent effective September 1, 2009 and 2.0 percent effective September 1, 2010.
5. **Small School Adjustments** - Adjustments to small schools and remote and necessary plants formula factors to reflect the increased allocation for certificated instructional staff in school years 2009-10 and 2010-11 contained in section 106 of the proposed bill. The 2009-10 increase in small school formula factors is 12.9% in grades K-6, 2.5% for grades K-8, and 3.7% for grades 7-8. For 2010-11, an increase of 3.2% for grades K-6, 2.5% in grades K-8, and 0.9% in grades 7-8.

Summary 2009-11 Biennial Costs of Coalition Proposal

Dollars in Millions

Intervention	FY 2009-10	FY 2010-11	2009-11 Biennial Cost
Staff Development	\$19.9	\$46.0	\$66.0
K-3 Class Size	\$52.7	\$117.9	\$170.6
Classified Staff Ratio	\$8.3	\$19.3	\$27.6
Struggling Students	\$53.6	\$123.5	\$177.1
ESA Staff Ratio	\$69.3	\$154.9	\$224.2
Compensation Increases above Initiative 732 COLAs.	\$119.0	\$243.0	\$364.6
Non-Employee Related Costs	\$47.0	\$118.0	\$165.0
All-Day Kindergarten	\$2.5	\$5.7	\$8.1
Total	\$372.3	\$828.3	\$1,203.2

