

**Basic Education Finance Joint Task Force Meeting
July 8, 2008
John A. Cherberg Building, Conference Rooms ABC
Olympia**

Public Testimony—School Environmental Health & Safety Rule
Tom Murphy, Federal Way Public Schools

- Good morning Mr. Chairman and members of the Task Force.

Thank you for allowing me to speak to you today. My name is Tom Murphy. I am Superintendent of Schools in Federal Way. I'm here on behalf of my school district and the 13 other districts in the Puget Sound School Coalition. I promise I will get through this in no more than 12 minutes.
- I would much rather be here to talk to you today about student achievements and the gains in test scores that we have achieved in Federal Way. That would be a more direct connection to your work as a task force. Instead, I am here to talk about the Proposed State Board of Health Rules. I want to be crystal clear in these following comments. Other than parents, grandparents,

and family members, there is no one who cares more deeply about the health and safety of students and staff than do the 295 Superintendents who work for you in the State of Washington.

We appreciate the work that this task force is doing to address Basic Education funding.

- Please understand that your work will be undermined by the actions of the Board of Health and the actions of other well-intentioned state agencies. As long as there are state agencies that can impose unfunded mandates on school districts, your efforts to implement a new basic education funding structure and to direct the funding towards the priorities that you have identified will be eroded. Unfunded actions of other state agencies will drain dollars and keep school districts from accomplishing their core mission as defined by your work.

BACKGROUND:

- We have worked for many months with the Board of Health and the Department of Health to clarify the Proposed Rules for School Environmental Health & Safety. Now that we somewhat understand what the Rules require, we hired some experts and worked with other school districts to develop an estimate of what it will cost to implement the Rules.
- I believe it's critical for this Task Force to understand and recognize that the Proposed Board of Health Rules are expensive and would present expensive requirements for school districts. The Board of Health is considering adopting the Proposed Rules in the fall 2008 -- September 10th I believe -- with an implementation date in the fall of 2010. Many of these proposals are well-intended, but we are being crushed by the weight of good intentions.

- We...all of us need to know how the Proposed Rules will fit into the overall framework of funding the entire K-12 system. Several members of this Task Force, including Representative Sullivan and Priest, asked the Office of Superintendent of Public Instruction questions about these Proposed Board of Health Rules during the June 9th Task Force meeting. Thank you for that interest. I believe it is critical for the Task Force needs to take these additional costs into account as you design a funding structure for basic education or the Board of Health needs to be encouraged to take a different course of action.

FEDERAL WAY PUBLIC SCHOOLS AND OPERATING COSTS:

- Let me give you a snapshot of how the Proposed Rules will impact Federal Way Public School's budget and school budgets statewide.

- The Proposed Rules will require changes to all existing schools in the State. We have called these “round one” costs since they are costs that school districts statewide will need to pay for in the first year that the Rules go into effect. In addition, we have calculated the annual, or “ongoing” operating costs to school districts.
- Currently, the Federal Way Public School District serves 21,750 students in 21 elementary schools, 2 K-8 schools, 7 middle schools, 4 comprehensive high schools, and three academies.
- We estimate that it will cost my District an additional \$1.4 million (\$1,413,221) in the first year to implement the Proposed Rules. To put this number into perspective, with staffing for nurses at half of the level that some members of the Legislature have proposed (1 nurse to 750 students), my District currently spends \$1.4 Million (\$1,479,749) for nursing services. With that \$1.4 million dollars we could reach the level that has been suggested in the legislature.

- On a yearly basis, my operating costs will increase by at least \$91K (\$91,466) under the Proposed Rules. These ongoing costs include the time associated with policing classrooms to make sure that teachers only bring into their rooms cleaners and sanitizers that have been officially approved for use. Before we can do this, we will need to go through a process of reviewing and approving all the maintenance supplies used district wide by every custodian and every item brought in to every classroom by every adult.
- Let's take a look statewide. We have approximately 2,000 public schools statewide.
- To implement the proposed rules in the first year, the combined round-one costs and the annual expenses systemwide would be in the range of \$82 million (\$81,599,637) (Round one cost is \$76,256,281 and on-going annual expenses of \$5,343,356).

- To put this number in perspective, in the 2006-07 school year, districts statewide spent \$450 million on the operations of buildings and on maintenance. So the first-year cost to implement the Proposed Rules would be an 18 percent increase above the 06-07 expenditures. On an annual basis, it would require at least a \$5.3 million increased in annual expenditures (or 1.2 percent increase) to the amount spent statewide on school operations and maintenance. \$82 million is a lot of money. Even \$20 million or \$16 million is a lot of money. It really doesn't matter if it comes out of the existing funding formula or a new one created by your task force. The erosions of the priorities intended by the funding formula is real and impacts and affects every single school district in the state.
- This is the same pot of money we use to run our AP classes, to transport children, to reduce class size, to provide support to special education and ELL students, and to provide remediation and acceleration for all children.

MECHANICAL VENTILATION

- Let me give you some examples of the cost drivers. Some of the round one costs are attributed to efforts to address what some may perceive to be indoor air quality issues. Keep in mind that some of these Rules, particularly the ones that I am going to talk about next, would apply to ALL existing schools.
- One of the Proposed Rules requires that districts strive to find ways to address perceived ventilation issues in older schools. This is not a simple matter of opening windows. Any increased ventilation could mean increased energy costs because air either needs to be heated or cooled if you are bringing air into the schools.
- In June, Federal Way Public School District received an award from Puget Sound Energy. We were recognized for our conservation efforts, which reduced our electric and natural gas bills by more than \$113K in this last school year and over \$500K in the last several years and the award was about \$45K.

These Proposed Rules would be at odds with our program to reduce energy consumption.

- In order to determine how to increase ventilation in existing schools, most school districts will need to hire an expert to conduct a mechanical study and survey of existing schools. The study alone could result in costs between \$13K to \$51K (\$50K) for each school.
- The elements dealing with the heating and ventilation systems alone would cost my District \$1.2 million (\$1,210,459) in the first year of Rule implementation. Please keep in mind that we are talking about a school district that at the outside worst chance is already looking at a \$6-8 million dollar budget deficit next year

LEGAL RISKS

- Separate and aside from the implementation costs, the Proposed Rules will create new legal obligations and standards. These

new regulations will mandate compliance by all school districts statewide.

- And yet many of the standards are sufficiently vague that it could require a trial to resolve a dispute.
- For example, one of the draft Rules will apparently require school districts to “[l]imit student exposure to air contaminants of public health importance produced by laser printers... by... maintaining equipment as recommended by the manufacturers.” There is no standard set for what is or is not an “air contaminant of public health importance.”
- I do not want my resources spent defending my district in against a lawsuit because the District failed to maintain a laser printer according to the manufacturer’s recommendations. I do not believe that you wish us to do that either.
- We recognize that there are some differences between our cost estimates and the estimates produced by the Department of Health. But the bottom line is that a separate state agency is

making policy decisions with broad budget implications. And the Legislature is not involved in directing the priorities.

- School board members should not be forced to deal with the question of what will need to be cut from our student's education in order to find the money to fund Rule implementation. The budget crisis has already forced my School District to drastically reduce the number of librarians and reduce the scope of offerings within the arts (especially music). Basically the Board of Health will require us to make a Sophie's Choice. Do we negatively impact educational outcomes for all students for the possible chance of improving some elements of the indoor environment?

OPTIONS:

- We have several options that we would ask that you consider.
- First, the agency rule-making process must be coordinated with the state budget process. I believe that you have already talked about some issues of disconnect in that area.

- Second, Task Force members should ask the Board of Health to delay taking action on the School Rules until the Task Force completes its final report. Then the Legislature needs to have the opportunity to address the costs associated with Rule implementation and to consider the fiscal impacts in the context of other budget decisions. These steps should take place before the Board takes action.
- We ask that the Proposed Rules not be implemented until the Legislature has provided funding to pay for the new requirements statewide.
- Finally, we ask that the Task Force include as one of its primary recommendations that both legislative and policy safeguards be put into place to protect the integrity of your proposed revised funding formula. Thank you for allowing me to address you today.