

Comparison of 2017 K-12 Education Funding Proposals

February 3, 2017

| | Governor | House Bill 1843 | Senate Bill 5607 |
|--|--|---|--|
| Prototypical School Funding Model | <p>Continues current prototypical school funding model. Increases allocations for support staff by 1.0 FTE in each prototypical school.</p> <p>Increases CTE and MSOC allocations by using a ratio of the general education MSOC allocation.</p> | <p>Continues current prototypical school funding model. Beginning in 2019-20 and phased in over two years, increases allocations for elementary school parent involvement coordinators by 1.0 FTE, and increases allocations for middle and high school guidance counselors by 1.0 FTE each. Beginning with SY 2019-20, and phased in over two years, CTE class sizes are reduced to 19 students and Skills class sizes are reduced to 16 students.</p> | <p>Eliminates the prototypical school model and replaces it with a new basic per pupil guarantee allocation of \$10,000 per pupil. An additional funding adjustment is made so that the minimum allocation from the state that is in addition to the new state Local Effort Levy is at least 40% each year or \$4,000 in 2018-19. Max basic allocation is \$14,000, not including categorical funding described below. The \$10,000 basic education allocation replaces general apportionment, pupil transportation including bus depreciation, local levies, and LEA.</p> |
| Categorical Programs | <p>Learning Assistance instructional hours are increased to 2.75 hours</p> <p>Highly Capable is expanded to 2.75% of the student population.</p> | <p>Beginning with SY 2019-20, and phased in over two years:</p> <p>Learning Assistance instructional hours are increased to 3.4 hours.</p> <p>Highly Capable instructional hours are increased to 3.2 hours</p> <p>Bilingual instructional hours are increased to 6.778 hours for middle and high school.</p> | <p>Transportation is eliminated as a categorical program and included in the new basic per pupil guarantee. New per pupil allocations replace existing program allocations, as follows:</p> <p>Special Education: \$7,500/pupil</p> <p>Bilingual Instruction: \$1,000/pupil</p> <p>Highly Capable: \$1,000/pupil</p> <p>Learning Assistance: \$2,000 - \$5,000 per pupil depending on poverty level. Free and Reduced Price Lunch poverty measurement replaced with Census Bureau poverty estimate</p> <p>Homeless Student: \$1,500/unsheltered homeless student</p> <p>CTE & Skills: \$500/pupil</p> |
| Compensation | <p>Revises salary allocation model to a grid based on years' experience, education (bachelors or masters), and professional certification. Fully funded in SY 2018-19.</p> | <p>Specifies minimum statewide average salary allocations for each of the three staff types. Maintains I-732 and makes the cost of living adjustment part of the program of basic</p> | <p>Beginning in the 2018-19 school year, the salary allocation schedule for CIS is eliminated and a minimum salary of \$45,000 for beginning CIS is required.</p> |

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| | <p>Statewide average allocation for Certificated Instructional Staff (CIS) is \$68,284 after adjusting for staff mix. Adjusting for the professional learning days, this allocation is \$72,470. Minimum pay is \$54,500 for CIS w/ BA and \$59,000 for CIS with MA. National Board bonus is maintained.</p> <p>Allocations for Classified staff (CLS) and Administrative staff (CAS) are increased to \$52,908 and \$114,612 respectively.</p> <p>Requires rebasing to market rate every four years.</p> | <p>education. Specifies a phase-in schedule for implementing the new salary allocations.</p> <p>Eliminates the current salary allocation grid for CIS and replaces it with a statewide average CIS allocation of \$70,824 adjusted by Seattle CPI in SY 2018-19. Beginning with the 2019-20 school year, sets minimum pay for beginning CIS and early career CIS. Districts must pay minimum of \$45,500 for first year CIS and \$50,500 for a CIS with three years' experience. Minimum pay values are also adjusted by Seattle CPI each year after 2019-20.</p> <p>Specifies statewide average salary allocation for CAS and CLS, and includes the values as part of the state's program of basic education.</p> <p>Note - values specified for each of the three staff types include the 4 days of professional learning required by the bill (see below).</p> <p>Requires rebasing to market rate every 6 years.</p> | <p>Prohibits additional pay based on an advanced degree unless the degree is in the subject area taught by the staff person.</p> <p>Limits district expenditures on compensation (salaries plus benefits) to 80% of total general operating expenditures. Excludes the housing allowance and teacher recruitment and retention bonus from this limitation.</p> <p>State funding for the national board bonus is eliminated, but districts are permitted to pay the bonus as part of the locally designed compensation plan. Payment of the bonus is outside the state's program of basic education.</p> <p>Permits state-funded extended school year contracts outside the state's program of basic education, for up to an additional 90 days outside the 180-day school year and based on the staff person's prior year hourly rate.</p> <p>Recruitment and retention bonus for districts with at least 25% poverty (uses census data for poverty measure) and at least 25,000 students. Bonus of \$12,500 is paid for each CIS and CAS staff. Bonus is not part of basic education.</p> <p>Teacher recognition bonus - \$25,000 or \$50,000 grants for top teachers</p> |

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| Regionalization | No regional differences specified. | Must be identified in the budget | Provides a housing allowance for districts with higher than average residential home values, up to \$10,000 per each staff person, to address regional cost differences. Bonus is not part of basic education. |
| Health Benefits | Increases health benefit allocations. Maintains current bargaining structure and classified benefit factor | Maintains current bargaining structure and classified benefit factor | Requires districts to offer health benefit plans that incorporate a plan design with employee premiums that ensure the ratio of premiums for single to family is no more than 1:3. |
| Collective Bargaining | Collective bargaining is maintained. New minimums specified. See compensation above. | Collective bargaining is maintained. New minimums specified. See compensation above. | <p>Collective bargaining is maintained. New minimums specified. See compensation above. Collective bargaining agreements must conform to the requirements of the act.</p> <p>Teacher strikes are expressly prohibited. Housing allowances and the Top Teacher Recognition Grant are not subject to collective bargaining</p> <p>Allows school districts to dismiss a teacher who, following in-service training and mentorship, fails to show improvement to the extent that it is detrimental to student academic performance.</p> <p>Allows individuals without a teaching certificate to teach students so long as it is under the general supervision of a certificated employee and the individual passes a record check.</p> |

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| | | | Permits districts that have been identified as being granted additional flexibility to exempt schools buildings within the district from district policies and district collective bargaining agreements. (See flexibility below). |
| Professional Learning Time | Increases allocations for Certificated Instructional Staff to support 30 hours in 2017-18 and 80 hours in 2018-19. Increases allocations for teaching assistance staff to support 20 hours in 2017-18 and 40 hours in 2018-19. | Increases allocations for all staff types to support 1 day in 2017-18, 2 days in 2018-19, 4 days in 2019-20, 6 days in 2020-21 and 10 days by 2022-23. | Does not specify allocations or requirements for professional learning. |
| Mentoring | Provides additional funding for the Beginning Educator Support (BEST) program and expands the program to include beginning principals. | Declares legislative intent to support full funding of enacted recruitment and retention policies and increasing investments in the BEST program. | Maintains the existing mentorship and in service training. See collective bargaining section. |
| M&O Levies and Local Effort Assistance | No change to levy cliff in 2018. Reduces levy lid to 15% and LEA to 7.5% in 2019. Also eliminates grandfathered levy lids in 2019. | Revises the levy cliff to phase down the lid and LEA over four years. Phases down grandfathered levy lids to have all districts at 24% by 2019. Eliminates ghost money in 2018. | Delays the levy cliff one year. Eliminates local levies for CY 2019. Eliminates LEA permanently. Permits districts to collect up to 10% of a newly defined levy base beginning in CY 2020. |
| Accountability, Transparency, and Reporting | Provides funding for accounting system updates enabling districts to report based on the allocation model and on a revenue to expenditure basis. | Establishes a technical working group to provide recommendations for revising school district accounting practices. Requires districts to report supplemental pay contracts to SPI and SPI to provide a report to the legislature. | Requires district fiscal health reports and additional auditing. Requires districts to prepare four-year outlooks as part of their budget process. Requires districts to provide separate accounting of state, federal and local revenues to expenditures and separate accounting of basic and nonbasic expenditures by fund sources. |

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| | | | Districts are required to deposit local excess levies into a subfund and separately account for expenditures from the subfund. |
| Revenue | Tax Preference Closures, B&O Tax Changes, Capital Gains Excise Tax, Carbon Pricing | Source not specified | <p>New state property levy referred to as the "Local Effort Levy" - Not subject to the 1% growth limit, \$0.45/\$1,000 in CY 2018 and \$1.80/\$1,000 in CY 2019.</p> <p>Prioritizes use of NGF-S revenue growth first for support of the new formulas and then for reduction of the state Local Effort Levy to \$1.25/\$1000.</p> <p>Provides a reimbursement mechanism for local taxing districts that are pro-rated under the 1% constitutional limit due to the state Local Effort Levy.</p> |
| Other | Provides additional support for the Alternative Routes program, school improvement grants, truancy reductions and, principal internships and workshops | Declares legislative intent to consider recommendations of the education and capital budget committees to address recruitment and retention and to support classroom and facility needs to support all-day kindergarten and class size reductions. | <p>I-732 and I-1351 are repealed.</p> <p><i>Measures of success:</i> Provides specific school district performance measures. Permits districts who have met standards to be granted additional flexibility and directs the state board to create a process for identifying innovation districts which may be exempt from some state laws.</p> <p><i>Student Absenteeism:</i> Districts are required to create an attendance reserve to be used to reduce chronic student absenteeism. The superintendent must</p> |

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| | | | <p>recover funds from the district's reserve equal to the amount of funds the district received for students that were chronically absent in excess of 20%.</p> <p><i>Paraeducators:</i> Establishes statewide minimum employment standards for paraeducators, and creates a paraeducator workgroup to administer rules for paraeducator preparation, certification, and training.</p> <p><i>Baldrige Performance Excellence Assessment:</i> Provides that large school districts, all educational service districts, and certain educational state agencies must implement the Baldrige Performance Excellence Assessment program, as phased in over a three-year period starting in the 2018-2019 school year.</p> |
| Hold Harmless | District hold harmless provided in the budget for the 2017-18 school year. | Specifies that no district will receive less funding as a result of the regionalization. | <p><i>District hold harmless/minimum funding:</i> If total school district funding from state, federal, and local sources combined is less than \$12,500 per pupil, then an additional state allocation is provided to increase total funding to \$12,500 per pupil.</p> |