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## Week 9: March 9–12, 2020 Sine Die Edition

### Sine Die Review

Last night, the final day of the 60-day Supplemental Session, the 2020 Legislature adjourned, “Sine Die.” Over the last several days, all of the major pieces necessary to close the session came into place. On Wednesday, a 2020 Supplemental Transportation Budget ([HB 2322](#)) was adopted, followed by the 2020 Supplemental Capital Construction Budget ([SB 6248](#)) yesterday morning. Negotiations on the final, compromise 2020 Supplemental Operating Budget ([SB 6168](#)) were wrapped up Tuesday afternoon, but a thorough scrub and printing of the budget—along with briefings and a check-off by the Caucuses—moved its release until Wednesday afternoon. There was some discussion of pushing it straight to the House and Senate Floors, quickly adopting the budget, and adjourning the session a day early. The benefits of getting out of town a day early, however, were outweighed by the negatives, including the optics of bulldozing a budget through the process with little-to-no chance of public review. In addition, there was a handful of other important issues left on the table, including a final deal regarding the repeal of Boeing’s preferential B&O tax rate ([SB 6690](#)); a controversial bill regarding facial recognition ([SB 6280](#)—a bill with a negotiated Conference Committee Report that was initially rejected); and a bill to address the novel coronavirus (COVID-19) crisis ([HB 2965](#)).

Interestingly enough, while these three bills are not “education” bills, each potentially have impacts on school districts. The Boeing bill (SB 6690) could have an indirect impact on K–12, due to the resultant positive revenue impact to the State from not continuing to provide this tax break. The State is expected to **increase revenues** (or save, depending on your perspective) over \$100 million in the remainder of this biennium, growing to almost \$230 million in each of the next two biennia. While this does not directly benefit education, every dollar that is left in the General Fund is another dollar for which school districts can compete. There was a heavy debate on the final version of the bill; however, it ultimately was adopted by both houses yesterday. The governor has expressed support of the bill and is expected to sign it.

SB 6280, which establishes criteria for the use of a facial recognition service, will impact school districts—if they decide to deploy facial recognition technology. The bill sets up a series of requirements that must be met before a state agency or local government begins to use facial recognition. Additionally, a set of specific prohibitions is included in the bill.

As originally conceived, HB 2965 would not have had any direct impacts on school districts. Originally, the bill would have appropriated \$50 million (from the Budget Stabilization Account) to be distributed to local governments and federally recognized



## About TWIO

*This Week in Olympia (TWIO)* is published by WASA in support of our members and members of our partners in WASBO, WSPA, and AEA.

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**WASA Legislative Report Podcast**



*The Podcast will be available on a regular basis on the [WASA website](#), or [subscribe to the Report](#) via multiple podcast apps.*

**NOTE:** WASA staff is currently working on our annual End of Session Report, which will include full details of the 2020 Supplemental Operating Budget and the 2020 Supplemental Capital Budget, along with a comprehensive review of the many education-related bills the Legislature addressed this session. It will be emailed to all *TWIO* subscribers (and available on the WASA website) as soon as it is completed.

tribes for response to the Coronavirus Disease 2019 (COVID-19) pursuant the Governor's declaration of emergency of February 29, 2020. That appropriation was quickly increased to \$100 million. And, as adopted yesterday, the appropriation is \$200 million—\$175 million from the Budget Stabilization Account and \$25 million from federal funds.

Under provisions of the bill, \$25 million will be provided to a new COVID-19 unemployment account to be used for employees who: (1) were temporarily laid off as a direct or indirect consequence of an outbreak of COVID-19; (2) were approved by the Employment Security Department to be on standby pursuant to rules adopted by the Department; (3) has returned to the same employment with the employer the employee had prior to the temporary unemployment; and (4) meets other criteria the Department establishes by rule.

HB 2965, as ultimately adopted, has specific direct impacts to K–12 education. **Amendments** allow the State Board of Education to establish an emergency waiver program to grant local education agencies flexibility from graduation requirements due to COVID-19, and to adopt rules to waive provisions for private schools due to the COVID-19. In addition to the provisions of this bill, OSPI and the State Board are continuing to provide guidance and are reviewing possible waivers, especially for those districts that have been or will be required to close in an effort to blunt the spread of COVID-19.

As partisan and sometimes nasty this session was, it is interesting to note as HB 2965 was moving through the legislative process, it received four Floor votes—two in the House and two in the Senate. Not a single legislator voted “Nay” in those four Floor votes, proving legislators can resist partisanship, if only for a wee bit of time. (Perhaps one of the most partisan moves all session was a bill introduced yesterday, **SB 6703**, dubbed “Making Washington Great Again.” The two-paragraph bill would have required the Legislature to “repeal and eliminate all laws passed by the Legislature between January 1 and March 13, 2020.” Sometimes bill introductions are real head-scratchers.)

### **Bill Action**

The last week of session was devoted to ongoing budget negotiations and reconciling differences in bills between the two houses. Last week, *TWIO* reviewed a series of key bills that were still moving and most of them were going through the concurrence process. Below we review those same bills (if they had not completed their legislative journey) and provide a final update. For details on the bills, see the **March 6 *TWIO*** newsletter.

- **HB 1182 (Learning Assistance Program)**—We have discussed how some bills get lost in the concurrence process. The Senate adopted this bill with amendments. When it was sent back to the House, they refused to concur with the amendments and asked the Senate to recede from those amendments. The Senate bounced the bill right back to the House, insisting on its position and, again, asked the House to concur. The bill ended up dying on the Calendar.

While some bills simply run out of time as legislators try to reach consensus, it appears this bill had a bit more of a story behind it. The talk is that the disagreement was more about the two Education Committee Chairs' egos, rather than the merits of either version of the bill. True or not, the fact is the bill died due to lack of necessary action.

Funding is provided for implementation of this bill in the final budget; however, because the bill failed to be adopted, that funding will be voided.

- **HB 1191 (School Notifications)**—Following adoption of an amended bill in the Senate, the House accepted the amendments, adopted the bill on Monday, and sent it to the governor.

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- **HB 1888 (Employee Information)**—This union-sought bill was amended in the Senate. Upon returning to the House, the amendments were accepted, the bill was re-adopted and sent to the governor for his action.
- **HB 2040 (Nonhigh School Districts)**—Last year, this bill got lost on the Senate Floor Calendar. It was re-adopted by the House mid-way through this session. It then quickly moved through the Senate Early Learning & K–12 Education Committee and the full Senate, but was amended prior to final passage. The House concurred with the Senate amendments last Saturday. The final bill is on its way to the governor’s office.
- **HB 2116 (Institutional Education)**—Following amendments and adoption by the full Senate last week, this bill took a wild ride in the last few days. The House refused to concur with the Senate amendments and asked them to recede on Tuesday. Later that day, the Senate stripped off the amendments, but re-adopted the bill with new Floor amendments. On Wednesday, the new bill was accepted by the House and sent to the governor for his action.
- **HB 2421 (Election Costs)**—The Senate amended this bill before adopting it. Upon returning to the House, they refused to concur with the amendments, asking the Senate to recede from them. The Senate responded by insisting on its position. On Tuesday, the House backed off its opposition and concurred with the Senate amendments. The bill is on the governor’s desk.
- **HB 2660 (Free School Meals)**—Following the Senate’s amendment and adoption of this bill, the House concurred with the amendments. The bill is on the way to the governor’s desk for action.
- **SB 5395 (Sexual Health Education)**—The Senate re-adopted this bill from last year early in this session. After a grueling public hearing in the House Education Committee (with more than 750 people signed in opposed to the bill), the bill was amended and moved to the full House. Following an even more grueling Floor fight (with over 200 Republican amendments introduced—none were adopted), the bill was adopted (on a straight party-line vote, with only Democrats supporting) and sent it back to the Senate.

Even though some Senate supporters were concerned about the House’s language, moving the bill was a higher priority than adopting the “right” bill. On Saturday it was brought to the Senate Floor for concurrence—where another fight was brewing with Senate Republicans. And it turned into a comedy of errors. In the midst of the concurrence debate, Senate staff inadvertently noted on the Legislature’s online bill tracker that the Senate had already concurred. Republican senators objected to continuing the debate, moving to set the bill down until the issue was resolved. As debate started on the motion, Democrats moved to call the question (which would end the debate), which stirred more controversy. Unable to block that motion, Republicans pulled out their only option: a move to adjourn the Senate immediately—a non-debatable motion that takes precedence over all other motions. And to add a cherry on top, they demanded a roll-call vote. After that motion failed, the online issue was corrected, and Democrats—to keep the peace—withdrew the motion to immediately end debate. So, the rugged debate continued. Ultimately, the Senate voted to concur with the House amendments (on a straight party-line vote, like in the House). The bill awaits action by the governor.

- **SB 6141 (Higher Education Access)**—After being amended in the House Committee on College & Workforce Development, the full House adopted the bill. The Senate concurred in the House amendments last Saturday, sending the bill to the governor.

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- **[SB 6191 \(Adverse Childhood Experiences\)](#)**—The House Education Committee adopted amendments on this bill, followed by passage by the full House. The Senate voted to concur with the House amendments on Saturday. The bill is on its way to the governor for action.
- **[SB 6263 \(Schools/Tribe Data Sharing\)](#)**—The House Education Committee adopted an amended bill, followed by adoption by the full House. The full Senate concurred with the House amendments on Tuesday and sent the bill to the governor’s office.
- **[SB 6313 \(Young Voters\)](#)**—This bill was amended in the House State Government & Tribal Relations Committee and further amended in the House Appropriations Committee. The full House rejected the State Government & Tribal Relations amendments, adopting the Appropriations Committee amendments instead. The Senate concurred with the House amendments last Saturday. The bill awaits action by the governor.
- **[HB 1813 \(Pupil Transportation Contracts\)](#)**—This bill passed the House (after passing the House last year) and was adopted by the Senate Early Learning & K–12 Education Committee and the Senate Ways & Means Committee. When last week’s *TWIO* was published, the bill was waiting on the Senate Second Reading Calendar, ready to be moved. Late Friday afternoon, it was added to one of the Senate’s Order of Consideration (a list of bills that are set to be debated and adopted). Fortunately, the 5:00 p.m. deadline arrived just before the bill was to move to the Floor. Although there was a question about whether it could be considered “Necessary to Implement the Budget,” no further action was taken.
- **[SB 6117 \(Special Education\)](#)**—This bill was not ever acted upon in the House—in fact, it never even received a hearing. Even though the bill was budget-related and referenced in the Senate Budget (essentially declaring that it was “Necessary to Implement the Budget”) there was no effort to move it. Senate budget-writers even backed off the bill in budget negotiations and there is no funding for the bill in the final, compromise budget (more on this below).
- **[SB 6189 \(SEBB Eligibility\)](#)**—This bill was amended on the House Floor to add language regarding employees’ continued eligibility for benefits if their school is closed or they are quarantined due to COVID-19. The Senate rejected the amendments and returned the bill to the House. On Tuesday, the House, adopted **[new amendments](#)**, substantially similar to the first amendments, but also added an emergency clause—making the bill immediately effective on the governor’s signature. Later in the day, the Senate concurred. The bill awaits action on the governor’s desk.

The many amendments that were adopted onto these bills were not described here. Full details of all of these bills (and all other education-related bills) will be reviewed in WASA’s End of Session Report. Similarly, highlights of the K–12 portion of the 2020 Supplemental Operating Budget follow below. WASA’s comprehensive End of Session Report, however, will include full details of the 2020 Supplemental Operating Budget and the 2020 Supplemental Capital Budget. WASA staff is already in the process of producing the Report, but will have to wait for some of the dust to settle before it can be completed. It will be emailed to all *TWIO* subscribers (and available on the WASA website) as soon as it is completed.

### **Final Budget Review**

**NOTE:** Please see pages 8 and 9 of this *TWIO* for an updated side-by-side comparison of the House-adopted and Senate-adopted K–12 budgets, along with the final agreed upon K–12 line items.

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Following the release of the February Revenue Forecast, the legislators had an additional \$606 million, above what was predicted in November. This brought the total of new, available revenue since the Legislature adopted its two-year 2019–21 Operating Budget to almost \$1.5 billion. House and Senate budget-writers introduced their own separate proposals on February 24 and both houses fast-tracked their respective bills. The Senate moved first, adopting their plan, SB 6168. When the House moved its budget to the House Floor, they overlaid their plan on top of SB 6168 and sent the new budget back to the Senate.

Both proposals were, in the big picture, largely similar, spending approximately \$1.2 billion. Many of the major pieces of the budget were also somewhat similar, indicating that budget-writers had been working together well-before the budgets were unveiled. Following the adoption of the respective plans, budget-writers began to negotiate in earnest.

A few days after the House sent the budget back to the Senate, the Senate formally rejected the House amendments and asked for a Conference Committee. When word was out that a budget agreement had been reached on Tuesday, the House granted the request for a Conference Committee. The next day, the Conference Committee met to sign the Conference Report (the agreed upon final, compromise budget). As we expected, legislators negotiated a budget in private, excluding Minority party members of the Conference Committee and the public. Only when they reached an agreement, did they establish a formal Conference Committee. As required, they met publicly, but only to sign the Conference Report, as the budget had already been finalized. This complies with the explicit language of the Legislature’s rules; however, these actions intentionally circumvent the intent of the rules. Rather than opening the budget process, making it transparent, legislators put on a bit of a show.

Yesterday evening, both the House and Senate adopted the final, compromise 2020 Supplemental Operating Budget. The final budget adds \$961 million to the underlying 2019–21 Operating Budget, for a total of \$53.5 billion. The \$961 million includes \$839 million in Policy Level adds and \$121 million in required Maintenance Level spending. (Note: this total does not include the \$200 million—\$175 million appropriated from the Budget Stabilization Account or the \$25 million in federal funds—to implement HB 2965, regarding the COVID-19 outbreak, as discussed above.)

For the first time in recent memory, the final compromise budget includes spending that is *less* than either of the original legislative proposals. Budget-writers explained that their original proposals were “substantially obsolete” following the growing coronavirus problem. Budget-writers were intent on leaving a substantial cushion in reserves. The budget, as adopted, leaves \$918 million in the projected Ending Fund Balance, plus another almost \$2.0 billion remaining in the Budget Stabilization Account (for a total of \$2.9 billion in reserves). Both budget-writers noted that we are facing an uncertain future, including a possible economic downturn from the novel coronavirus outbreak, and it was necessary and important to build a “buffer” to protect against potential revenue reductions.

Following below are the major changes in the K–12 section of the final, compromise 2020 Supplemental Operating Budget. The Legislature’s budget committee, the [Legislative Evaluation and Accountability Program \(LEAP\) Committee](#), has all the details of the final budget. Included is the adopted Conference Report (the actual budget bill), a Summary of the budget, and the Agency Detail. (Please note that both the [House](#) and [Senate](#) prepare their own Summary and Agency Detail. The budget numbers agreed upon by the two houses will be identical; however, the review of certain line items may be described differently.)

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### **Pupil Transportation – \$62.8 million**

The final, compromise budget provides a total of \$62.8 million for pupil transportation. \$11.8 million is provided to incorporate an increase to the prior year pupil transportation base over the amount that was assumed in the 2019–21 budget. Additional one-time funding is provided (\$29.5 million) for payments to school districts for pupil transportation in the 2018–19 school year. Apportionment payments for this purpose in Fiscal Year 2019 exceeded the 2019 Supplemental Budget by \$29,500,000; however, OSPI paid this amount to districts in Fiscal Year 2020. This funding is provided to maintain the initial Fiscal Year 2020 appropriation level. Unlike the original budget proposals, another \$21.5 million for a one-time “hold harmless” payment is provided for the 2019–20 school year.

### **Local Effort Assistance – \$45.8 million**

The final budget provides one-time Local Effort Assistance (LEA) “hold harmless” funding for Calendar Year 2020 due to assessed property values above forecast. Statewide, the revised estimates for 2020 assessed property values are 10 percent higher than at the time school district budgets were developed for the 2019–20 school year. The higher assessed property values result in lower LEA payments than anticipated for some districts. The hold harmless funding provides the difference between the budgeted LEA amounts and the revised estimates less any additional levy revenue received.

Note that the Maintenance Level for Local Effort Assistance is reduced by \$115.3 million. Including this one-time LEA hold harmless, there is still a *net reduction* in LEA funding of \$69.5 million.

### **School Counselors – \$31.8 million**

Funding is provided for an additional 0.5 FTE counselor for all high-poverty elementary schools. Approximately 45 percent of K–6 enrollment attend high poverty schools that would generate this increased allocation. This additional funding increases counselor staffing per prototypical school for high poverty elementary schools above the amounts specified in RCW 28A.150.260.

### **Paraeducator Training – \$14.4 million**

Funding is provided for two additional days of comprehensive training per year on the fundamental paraeducator standards beginning in the 2019–20 school year. Funding is sufficient for each paraeducator teaching in the 2019–20 school year to complete the four-day fundamental course of study, by the end of the 2020–21 school year.

### **Small School Funding – \$4.0 million**

The House-adopted budget would have provided \$14.4 million to grant \$1,000 per FTE student for school districts that have enrollments of less than six hundred fifty students and that have a regionalization factor of at least 1.04. The final budget provides \$4.0 million for grants to school districts with enrollments of less than six hundred fifty students. Rather than providing a set amount per FTE for all of these districts, OSPI is required to prioritize districts with low operating fund balances or other demonstrated financial need. To be eligible, the 650-FTE limit remains; however, there is no requirement to have a regionalization factor. Additionally, as with the originally proposed funding, charter schools and tribal-compact schools are eligible to receive grants.

### **SEBB Eligibility – \$3.7 million**

Funding is provided to the Health Care Authority to implement [SB 6189](#), which prohibits dual enrollment in PEBB and SEBB coverage and directs HCA to analyze changes in the requirement that employers remit premium payments for employees that waive medical coverage.

***This Week in Olympia:*****Week 9, March 9–12, 2020***continued***Mental Health & Safety – \$2.6 million**

The final budget provides funding for: an additional 1.5 FTEs per ESD for the Regional School Safety Center established in [2SHB 1216](#) (2019); grants to school districts; and a contract with the University of Washington-Forefront suicide prevention program.

**Special Education – \$1.9 million**

As described above, [SB 6117](#) failed to be adopted. Funding in the final budget does not provide any enhancement in the special education excess cost multiplier. Instead, it provides \$1.9 million to account for expected increases in safety net awards, due to changes in the safety net threshold, adopted in [E2SSB 5091](#) last session.

**Additional Programs – \$9.0 million**

The final budget provides another \$9.0 million to implement a series of bills or enhance a number of smaller programs, including dual language, institutional education, innovative learning pilot, CTE student leadership organizations, and the Running Start summer pilot. (Full details of all funded line items will be provided in WASA's End of Session Report.)

**Additional Details****PERS/TRS Plans 1 COLA – \$12.8 million**

Funding is provided for a three percent benefit increase for eligible Plan 1 Public Employees' and Teachers' Retirement System members, up to a maximum of \$62.50 per month, as provided for in [HB 1390](#).

**Early Support for Infants & Toddlers Transfer – (\$85.5 million)**

The final budget transfers funding for payments to providers for the Early Support for Infants and Toddlers (ESIT) program from OSPI to the Department of Children, Youth, and Families beginning September 1, 2020. This is a revenue neutral shift in the overall budget; however, it results in an \$85.5 million reduction in the K–12 portion of the budget.

**SEBB Rates – (\$71.1 million)**

The final budget reduces funding based on updated rates for Fiscal Year 2021 for the School Employees' Benefits Board insurance program. Following the results of benefits procurement and open enrollment, costs are expected to be lower than projected in the biennial operating budget. The rate charged to school districts for health and insurance benefits is reduced for the 2020–21 school year from \$1,056 per employee per month to \$1,000.



## 2020 Supplemental Operating Budget Proposals: K–12 Impacts

Agreement, March 11, 2020

	HOUSE	SENATE	FINAL, SB 6168
School Counselors	\$51.6 million	-0-	\$31.8 million
Local Effort Assistance	\$50.2 million	\$45.8 million	\$45.8 million
Pupil Transportation	\$68.4 million: \$29.5 million (one-time) backfill of pupil transportation for over-expenditures in FY 2019; \$38.9 million to adjust the prior year transportation base	\$41.3 million: \$29.5 million (one-time) backfill of pupil transportation for over-expenditures in FY 2019; \$11.8 million to adjust the prior year transportation base	\$62.8 million: \$29.5 million (one-time) backfill of pupil transportation for over-expenditures in FY 2019; \$11.8 million to adjust the prior year transportation base; \$21.5 million (one-time) “hold harmless” funding
Special Education	-0-	\$21.2 million: \$9.7 million to increase excess cost multiplier; \$11.1 million safety net eligibility	\$1.9 million: expected safety net growth
PERS/TRS 1 COLA	\$17.6 million	\$12.7 million	\$12.8 million
Paraeducator Training	\$14.4 million	\$12.6 million	\$14.4 million
Mental Health & Safety	\$3.5 million	\$2.6 million	\$2.6 million
Dual Language	\$465,000	\$1.4 million	\$465,000
Institutional Education	\$1.0 million: \$769,000 to increase funding for institutional education; \$200,000 to fund a student records coordinator	\$762,000: \$562,000 to increase funding for institutional education; \$200,000 to fund a student records coordinator	\$762,000: \$562,000 to increase funding for institutional education; \$200,000 to fund a student records coordinator
Innovative Learning Pilot	-0-	\$734,000	\$734,000
Data Analytics Tool	-0-	\$450,000	\$450,000
Special Education Study (WSIPP)	\$400,000	\$400,000	-0-
Apportionment System Maintenance	\$360,000	\$360,000	\$360,000
Telehealth program	-0-	\$304,000	-0-
South Kitsap FAFSA Pilot	-0-	\$300,000	\$300,000
Integrated Early Learning	\$200,000	\$283,000	\$200,000
Foster Youth Education Outcomes	-0-	\$250,000	\$250,000
Homeless Student Program	\$1.3 million	\$200,000	\$200,000
Career Connected Learning Tribal Liaison	\$150,000	\$150,000	\$150,000
SW WA Career Connected Learning	\$300,000	\$110,000	\$110,000
Media Literacy	-0-	\$70,000	\$70,000
Ethnic Studies Materials	\$64,000	\$50,000	\$50,000
Renton SD Early Learning	-0-	\$50,000	\$50,000
Catastrophic Incident Plans	-0-	\$24,000	-0-
Education Background Checks	-0-	\$7,000	-0-
Tribal History	-0-	\$7,000	-0-
Truancy Study (WSIPP)	\$7,000	\$7,000	\$7,000
Tribes/Schools Data Sharing	-0-	\$6,000	\$6,000

Model Civics Curriculum	-0-	\$100,000	\$100,000
EOGOAC (WaKIDS)	\$15,000	\$15,000	\$15,000
Black Studies Curriculum	\$50,000	\$15,000	\$50,000
Tribal Consultation/Training	-0-	\$150,000	-0-
Accelerated Coursework GPA Study	-0-	\$10,000	\$10,000
LASER Program	-0-	\$144,000	\$144,000
Racial Discipline policies/practices	-0-	\$75,000	\$75,000
CTE Student Leadership Organizations	\$800,000	\$700,000	\$700,000
Barriers to Dual Credit Programs (WSAC Task Force)	-0-	\$150,000	\$150,000
School Nurse Corps	\$1.7 million	-0-	-0-
BEST Program	\$1.0 million	-0-	-0-
Running Start Summer Pilot	\$872,000	-0-	\$872,000
Learning Assistance Program	\$474,000	-0-	\$474,000
Extracurricular Activities Grant	\$350,000	-0-	\$350,000
Bilingual Environmental Education	\$250,000	-0-	\$250,000
Latinx Afterschool Summer Learning	\$250,000	-0-	\$250,000
Maritime Education	\$250,000	-0-	\$250,000
CTE Alternative Learning Experiences	\$210,000	-0-	-0-
Transitional Kindergarten Study (WSIPP)	\$200,000	-0-	\$20,000
Secondary Traumatic Stress	\$173,000	-0-	-0-
Office of Native Education	\$150,000	-0-	\$150,000
Balanced School Year Pilot	\$100,000	-0-	\$100,000
Allergic Reactions	\$76,000	-0-	\$76,000
Health Education Standards	\$75,000	-0-	\$75,000
Student Teacher Residency	\$60,000	-0-	\$60,000
Free Student Meals	\$57,000	-0-	\$57,000
Family Engagement Framework	\$50,000	-0-	\$50,000
Financial Literacy	\$30,000	-0-	\$30,000
OSPI/HCA SEBB study	\$50,000	-0-	-0-
Dyslexia Screening	\$560,000	-0-	-0-
Dyslexia Screening—ESDs	\$251,000	-0-	-0-
Spanish Language Standards	\$50,000	-0-	\$50,000
Small School Funding	\$14.4 million	-0-	\$4.0 million
Yakima Nation Tribal School Study	\$150,000	-0-	\$150,000
School Bus Safety Study (WSIPP)	\$123,000	-0-	-0-
Epilepsy policy	\$50,000	-0-	\$50,000
Children's Mental Health Workgroup	-0-	-0-	\$107,000
SEBB eligibility (SB 6189)	-0-	-0-	\$3.7 million
Central Services Charges	-0-	-0-	\$646,000
Early Support for Infants & Toddlers—Transfer	(\$85.7 million)	(\$85.4 million)	(\$85.5 million)
SEBB Rates	(\$71.1 million)	(\$54.8 million)	(\$71.1 million)

## AEA

By Mitch Denning

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The 66th Legislative Session came to a close yesterday, as both Supplemental Operating and Capital Budgets were approved by each house.

This article will focus on [ESSB 6248](#), **2020–21 Supplemental Capital Budget**, and two bills that our associations supported and passed both houses.

Here's a look at the four provisions of ESSB 6248. AEA is pleased that additional funds are added to the approval list of the small district modernization grants, the Distressed Schools grant is increased to include Mount Adams and Republic SDs, and OSPI's seismic grant program is funded.

One, regarding **SCAP funding**, earlier in the year, OSPI stated that there are 65 construction and renovation projects in 39 school districts which are scheduled for OSPI's July 1, release of state funding assistance.

Last month both houses introduced their supplemental capital budgets. [SHB 2324](#) proposed \$52.7 million from the State Common School Construction Account to fund the state assistance for the 65 projects in 39 school districts, and \$13.4 million in bond proceeds for a total of \$66.04 million. SSB 6248 proposed \$53.5 million to provide the same funding assistance for those 39 school districts, and \$19.8 million in bond proceeds for a total of \$73.3 million.

However, in the compromise 2020–21 Capital Budget (ESSB 6248), the K–12 section provides \$19.56 million in bond proceeds, only \$25.876 million in State Common School Construction funds, and \$840,000 in Federal Common School Construction funds for a total of \$46.276 million.

On Wednesday, the House passed [ESSB 6248](#) by a vote of 97–0, and yesterday the Senate passed it by a vote of 49–0.

AEA is very concerned that the SCAP funding was reduced from the proposed amount in both budgets to \$25.9 million in ESSB 6248. In discussing the issue with capital budget staff from both House Capital and Senate Ways & Means, we found that the decision to fund SCAP at a lower level was due to an assumed drop-off in square footage SCAP requests based on past history for the second year of the biennium.

In discussing this situation with OSPI School Facilities and Organization staff, we were informed that should the anticipated 65 construction and renovation projects in the 39 school districts funding assistance exceed the \$25.9 million, OSPI would have to prioritize their funding decisions. Some districts then would not receive their funding assistance until July 1, 2021, or in the remote possibility that the Legislature would fund a "second supplemental capital budget" early in the 2021 session. From my experience as a superintendent and consultant for a total of 31 years, I can't recall a second supplemental capital budget in a biennial session.

From AEA's view, it's unfortunate that this reduction in SCAP funding was made after all public input was received on both capital budgets.

Two, \$13.24 million is provided to begin an **OSPI grant program to retrofit K–12 school buildings for seismic safety improvements**. OSPI must prioritize school seismic retrofit grants with the most significant building deficiencies and the greatest seismic risks, beginning with the facilities classified as very high risk.

Three, an additional \$3.4 million is allocated for **Small School District Modernization grant** projects, as there were many more schools' projects applied for than could be

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***continued***

funded with the \$19 million funded in the 2019–21 Capital Budget. Also, ESSB 6248 approves the list of small district modernization grant projects that were selected by OSPI as directed by the 2019–21 Capital Budget.

Specifically, the budget funds the following small school districts' modernization grant projects: Oakville, Kahlotus, Washtucna, Index, Lamont, Green Mountain, Harrington, Skamania, Endicott, and Centerville (\$22.226 million).

Four, \$2.9 million is added to the **Distressed Schools grant** for projects in Mount Adams, Seattle, Tacoma, South Kitsap, and Republic SDs.

With the additional funds for this grant, the following projects are funded: (1) a Distressed Schools project in the Mount Adams SD (\$1 million); (2) a two-classroom preschool addition at John Muir Elementary (\$700,000) and the conversion of two classrooms to a new health clinic at Lowell Elementary (\$300,000), both in the Seattle SD; (3) an agricultural resource center (\$238,000) and a schoolyard park (\$200,000), both in the Tacoma SD; and (4) a school-based health center (\$309,000) in the Port Orchard (South Kitsap SD).

In addition, \$100,000 is added to the Distressed Schools grant for Republic SD for their pre-design and scoping work related to the replacement of their aging 7–12 building. It is the intent of the Legislature to appropriate \$9 million for the Republic SD in the 2021–23 biennium for the demolition of the 7–12 building and for the design and construction of a new school, subject to RSD securing a local match of not less than \$4.5 million.

Finally, school districts receiving Distressed Schools grants may use that funding for the local share of project cost requirements for projects also eligible for funding through the SCAP program.

WAMOA is pleased that **2SSB 5572, small district modernization grants**, passed both houses and was delivered to the Governor on Wednesday. This excellent grant program for districts under 1,000 FTE is now state policy. It helps these districts remedy significant building deficiencies as they can't pass a bond issue.

WSNA is pleased that the House concurred with the Senate's amendment on **ESHB 2660, implementing the Community Eligibility Program (CEP) in certain schools**, which uses the OSPI rule to determine eligibility for National Board Certified Teacher bonuses rather than 70 percent free/reduced lunch counts to define a high poverty school. This bill passed by the Senate on March 5 and passed final passage in the House on March 10. It was delivered to the Governor yesterday.

This bill will help increase meal participation in 18 high poverty school districts. OSPI staff to implement the bill is funded by \$57,000 in **ESSB 6168, 2020–21 Supplemental Operating Budget**.

## Pensions/Health Benefits

By Fred Yancey – The Nexus Group

*This Week in Olympia:*  
Week 9, March 9–12, 2020

*Church ain't over  
til the choir stops singing.....  
Anonymous*

*continued*

Sine Die occurred and the 66th Legislature has concluded. The last act is the Governor's responses to the various legislative proposals that have delivered to his office. Once his 'singing' is done, attention will shift to the upcoming national and local election.

There will be a more complete 'End of Session' summary to follow, but this is just an update on some selected bills.

### Retirement Related Proposals

**HB 1390**—At the request of the Select Committee on Pension Policy grants TRS/PERS Plans 1 beneficiaries an increase to their monthly benefit of three percent multiplied by the beneficiaries' monthly benefit, not to exceed sixty-two dollars and fifty cents on the first \$25,000 of benefit. This bill passed both Houses and being sent to the Governor's desk for his signature.

**SB 6383**—Concerning the retirement strategy funds in the Plan 3 and the deferred compensation programs. Basically, retirement strategy funds offered by the State Investment Board in the Plans 3 and DCP (Deferred Compensation Program), if the bill is passed, may include investment in the State's Commingled Trust Fund.

This bill passed both houses and is being sent to the Governor's desk for his signature.

### School Employees' Benefits Board (SEBB) Health Related Proposals

**SSB 6189**—The Joint Legislative Audit and Review Committee will conduct a study to identify the number and types of part-time employees and their eligibility for SEB Board benefits. The report is due to the Legislature by September 1, 2021.

The Health Care Authority must analyze the impacts of changes to the requirement that school employers remit premiums for employees that waive medical coverage. The analysis is due to the Legislature by September 1, 2021.

When school districts report annually to the Office of the Superintendent of Public Instruction on data related to substitute teachers, they must include the hours worked by each substitute and the number that were eligible for SEB Board benefits.

Beginning with the 2022 plan year, dual coverage under the SEB Board and benefits provided under the PEB Board is prohibited for the same type of coverage. The SEB and PEB Boards shall adopt policies to reflect this single enrollment requirement.

School employees' eligibility for benefits provided by the SEB Board is maintained for the remainder of the school year if, during the Novel Coronavirus (COVID-19) declared state of emergency, the employee would otherwise lose eligibility because of a school closure or changes in operation, an employee being quarantined or required to care for a family member, or an employee must take care of a child during a school, day care, or child care provider closure.

This bill passed both houses and is being sent to the Governor's desk for his signature.

**HB 2458**—The SEB Board is provided with explicit authority to study and, subject to the availability of funding, provide the following employee-paid benefits: emergency

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***This Week in Olympia:***  
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*continued*

transportation; identity protection; legal aid; long-term care insurance; noncommercial personal automobile insurance; personal homeowner's or renter's insurance; pet insurance; specified disease or illness-triggered fixed payment insurance, hospital confinement fixed payment insurance, or other fixed payment insurance offered as an independent, non-coordinated benefit regulated by the office of the insurance commissioner; travel insurance; and voluntary employees' beneficiary association (VEBA) accounts.

If the Board is not providing these benefits a school district may provide these benefits to employees. With the exception of VEBA accounts, benefits provided by a district must be employee paid and may be administered using a payroll deduction.

If a district is found to be providing a benefit that competes with any form of basic or optional benefits that are provided by the Board; the district, the provider, and the Health Care Authority are directed to work together to eliminate the conflict.

This bill passed both houses and is being sent to the Governor's desk for his signature.

**Another Bill:**

**[ESHB 1813](#)**—Mandates that the costs of contracted employee health and retirement benefits must be built into school district contracts for pupil transportation.

This bill died by Senate action placing it on the "X" file, but it is expected to return in some form during the 2020–21 session.

**Other Bills that may have Fiscal/HR Impacts for Districts**

**[SHB 2614](#)**—Concerning paid family and medical leave.

Makes numerous revisions to the Paid Family and Medical Leave program to provide clarity and improve the program's administration, including waiting periods, conditional waivers, and supplementation of benefits. Exempts casual labor from the types of covered employment. Grants the Employment Security Department (ESD) statutory authority to administer oaths, take depositions, issue subpoenas, or compel a witness' attendance in an administrative proceeding. Allows ESD to apply for and obtain a superior court order authorizing a subpoena in advance of its issuance. Authorizes employees to bring a private right of action to recover damages for an employer's unlawful acts, under specified conditions. This bill is agency request legislation.

This bill passed both houses and has been delivered to the Governor.

**[HB 2739](#)**—Modifies definitions for purposes of the shared leave program. This bill originated with a constituent who teaches in the Edmonds School District and has a child with multiple chronic conditions that require intermittent attention. He found that, given current policy, employees would be required to be on full-time leave and exhaust all or nearly all leave to accept shared leave. Across Washington, many people going through difficult circumstances are helped by caring colleagues that support them through shared leave donations. This bill provides clarification on current law and also helps people who have intermittent health needs.

This bill passed both houses and is being sent to the Governor's desk for his signature.

**[ESSB 5473](#)**—Requires the Employment Security Department to study the impacts to the unemployment trust fund and employer contributions for unemployment insurance by allowing exceptions to provisions disqualifying individuals from receiving unemployment benefits for leaving work voluntarily without good cause related to: (1) inaccessible care for a child or vulnerable adult; (2) substantial increases in job duties or working conditions without commensurate increase in pay; (3) separation from a minor child.

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***This Week in Olympia:***  
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*continued*

Requires ESD to meet at least three times with business and worker representatives to discuss the information gathered by ESD. Removes modifications to the term good cause for unemployment purposes for the separation due to inaccessible care for a child or vulnerable adult and related to separation from work related to the death, illness, or disability of a family member.

This bill passed both houses and is being sent to the Governor's desk for his signature.

**SB 6123**—An agency must allow an employee to take paid leave as needed to participate in life-giving procedures if the employee provides written proof from an accredited medical institution, physician, or other medical professional that the employee participated in a lifegiving procedure. Leave granted to participate in life-giving procedures must not exceed thirty days in a two-year period.

This bill passed both houses and has been delivered to the Governor.