

2013 LEGISLATIVE REPORT

A PUBLICATION OF THE WASHINGTON ASSOCIATION OF SCHOOL ADMINISTRATORS

825 Fifth Avenue SE | Olympia, WA 98501 | 360.943.5717 or 800.859.9272 | www.wasa-oly.org



LEADERSHIP | TRUST | ADVOCACY

Table of Contents

2013 Session Overview.....	1
2013–15 Operating Budget:	
3ESSB 5034.....	6
<i>Budget Details: K–12 Enhancements</i>	11
<i>Budget Details: K–12 Reductions or Savings</i>	15
<i>Additional Details</i>	16
2013–15 Capital Budget:	
ESSB 5035.....	20
Education-Related Bills that Passed.....	23
Education-Related Bills that Died.....	53
Pensions and Health Benefits.....	66
Health Benefits-Related Bills that Passed.....	68
Health Benefits-Related Bills that Died.....	68
Pensions-Related Bills that Died.....	69
Alliance of Educational Associations.....	72
WASA’s 2013 Legislative Platform.....	75

2013 Session Overview

Dan Steele, Assistant Executive Director, Government Relations, WASA

The 2013 Legislative Session began to take shape this past fall. The results of the November election brought 34 new legislators (21 in the House and 13 in the Senate) and a new governor to Olympia. November economic forecasts started showing positive signs, signaling that the state and nation was moving beyond the “Great Recession,” yet revenue estimates still showed a projected shortfall for the 2013–15 budget. At the same time, the latest incarnation of Tim Eyman’s tax limitation initiatives (I-1185) was overwhelmingly adopted by voters. In December, the Joint Task Force on Education Funding submitted its recommendations for basic education enhancements in response to the Supreme Court’s Orders in the *McCleary v. State* education funding case. When adding the recommended significant basic education down payment, the anticipated budget shortfall grew even larger. (For full details on the budget battle and final outcome, see the Operating Budget section in this report.) With all of these variables in play, it was clear this would be a unique—and potentially difficult—session.

A historic change in the Senate made the 2013 session even more unique, complicated, and difficult. Following the November election, Democrats lost seats in both the House and Senate, but retained majorities in both chambers. Democrats held 55 seats in the House, compared to the Republican’s 43 seats, while Democrats held 26 seats in the Senate, compared to 23 Republican seats. Prior to the opening of session, it was announced that two conservative Senate Democrats, Rodney Tom (D-Medina) and Tim Sheldon (D-Potlatch), would be caucusing with the Republicans, providing them with a governing majority of 25 votes. Senate rules do not provide for this type of scenario, so one of the first orders of business on opening day was to change the rules. Although the Democrats no longer had the votes to stop such a maneuver, they nevertheless made an attempt. Those efforts failed and the so-called “Senate Majority Coalition Caucus” succeeded in changing Senate rules allowing for the new majority to control the Senate. As part of the process, the new majority installed Sen. Tom as Majority Coalition Caucus Leader and Sen. Sheldon as President Pro Tempore. Senator Ed Murray (D-Seattle), who weeks before had been elected as Majority Leader by his caucus colleagues, in an instant became the Senate’s Minority Leader.

The Coalition Caucus had a significant impact on this session. Even though this was a “budget” session, there was an unusually heavy focus on policy issues. The mantra of the Coalition Caucus was “reform before revenue” and even though they eventually acquiesced and provided a large basic education down payment, they resisted the entire session. They argued that any new funding to K–12 education needed to be linked with accountability measures to ensure the dollars were wisely spent. Many legislators simply do not trust educators.

Numerous education “reform” measures were introduced in the Senate and many of them quickly moved through the legislative process in the upper chamber only to be stopped cold in the House. The few Senate reform bills that moved in the House were drastically changed—and even most of those died before being adopted by the full House. There was a long laundry list of reform priorities, including: third grade reading accountability (SB 5237); principal authority (or “mutual consent”) (SB 5242); student growth data in teacher evaluations (SB 5246); letter grades for schools (SB 5328); and school day definition (SB 5588). They also sought funding reforms. SB 5898 would have reduced school districts’ maximum levy lids and reduced school districts’ maximum Local Effort Assistance levy percentages. And multiple attempts were made to eliminate or cap locally funded supplemental teacher contracts (TRII): SB 5330, SB 5852, SB 5901 and early versions of ESSB 5946.

Midway through the session, Senate Republican Leader Mark Schoesler (R-Ritzville) applauded the work of his caucus, saying: “The Majority Coalition Caucus is governing—focusing on job growth, education and creating a sustainable budget, while bringing an unprecedented level of cooperation.” Apparently, Coalition leaders forgot about these press releases when it came time to negotiate over a final 2013–15 Operating Budget, as a major part of those negotiations was the Senate’s “hostage” taking. Senate leaders complained that their policy issues were being bottled up in the House (never mind that the Senate ignored numerous House-adopted bills) and tried to force their bills through the process. Senate leaders threatened to withhold budget votes until specific reform bills were adopted by the House. So much for unprecedented cooperation.

These tactics—and the House’s own strong ideas about budget solutions, including an insistence on additional revenue—forced the 105-day session to adjourn in 153 days, just shy of the end of the state’s fiscal year. If legislators had not resolved their budget differences by midnight, June 30, a destructive (and embarrassing) partial shutdown of state government would have resulted.

McCleary v. State of Washington

Just prior to the 2012 Legislative Session, the Supreme Court handed down its historic *McCleary* decision, finding the state was violating its constitutional paramount duty to amply fund K–12 education. The Court retained jurisdiction

in the case to enforce its ruling and “help facilitate progress in the state’s plan to fully implement the [ESHB 2261/SHB 2776] reforms by 2018.” As part of its Final Order on Retaining Jurisdiction, the Court required the state to provide an annual report summarizing actions taken to achieve compliance with the constitution 60 days following the adoption of a state budget through 2018.

The 2012 Legislature did not continue to cut education funding, yet they did little to make progress towards full funding of basic education. The Legislature’s first report did not impress the Court. In December, the Court responded to the state, affirming that “Year 2018 remains a firm deadline” for constitutional compliance. Further, the Court Ordered the state’s 2013 compliance report to:

- Set out the state’s plan in sufficient detail to allow progress to be measured according to periodic benchmarks between now and 2018;
- Indicate a phase-in schedule for achieving its mandate; and
- Demonstrate that its budget meets its plan.

Education advocates are anxious to review the state’s upcoming compliance report because following the actions (and some lack of action) of the Legislature this year, it would seem legislators will be hard-pressed to positively respond to any of the Court’s directives above. There were bills on the table to establish detailed spending plans and specific funding schedules, along with revenue plans to provide “regular and dependable” sources of funding for K–12 public schools. Those bills failed to be adopted.

The Legislature again avoided cuts to K–12 education (at least in terms of basic education) and provided a down payment in an effort to comply with *McCleary*. \$1.0 billion is a huge increase in basic education funding and will be welcomed by school districts across the state. Clearly, the state is moving in the right direction—and that is positive. The state is far from full compliance with the constitution, however, and the deadline is getting closer. Prior to the start of this session, the ramp to making “steady and measurable” progress towards ample funding was steep. A \$1.0 billion down payment is less than recommended by the Joint Task Force on Education Funding and is significantly less than the levels of K–12 funding the state promised during the *McCleary* trial. As the Court affirmed in December, the deadline remains 2018. That means the ramp to full compliance just became steeper. It was a slog to get \$1.0 billion; the next steps will be that much more difficult.

Education Policy

As noted above, there was an unusually heavy focus on policy issues this session, even though the Operating Budget—and how to balance the budget at the same time as providing a significant basic education down payment for *McCleary*—should have been the almost singular focus of legislators. As we had anticipated all session, education “reform” bills (along with a host of other reform bills) from

the Senate Majority Coalition Caucus were used as bargaining chips in the budget process. During the Second Special Session, the list of priority bills had been reduced to a small handful. Included were two education issues of importance: SB 5242, providing school principals with veto-authority over staffing assignments, known as “mutual consent;” and SB 5895, capping non-education spending for three biennia, 2015–2023. Ultimately, the bills were dropped.

For the most part, other major education “reform” and/or “accountability” issues were unsuccessful this session. E2SSB 5329 was adopted to provide assistance to the state’s lowest performing schools. The bill was drastically altered (positively) before it was adopted. Introduced as a state takeover bill, it was ultimately adopted as a bill to assist struggling schools. A second accountability bill, ESSB 5491, establishes statewide indicators of educational system health. The State Board of Education and OSPI must establish performance goals; however, in setting the goals, consideration must be given to the Legislature’s investment toward fully funding basic education and other funding issues. In other words, while school districts are being held accountable, whether or not the Legislature is following through on its obligations must be taken into account. A third bill, ESSB 5946, was introduced late in the First Special Session and was ultimately adopted alongside the budget in the waning hours of the Second Special Session.

SB 5946 is an omnibus education reform bill that combines several other issues which were introduced earlier in the session, including: third grade reading (SB 5237); revisions to the Learning Assistance Program (SB 5330); student suspensions/expulsions (SB 5244); implementation of a teacher mentor program (SB 5330); and revisions to the Alternative Learning Experience program (SB 5794). Key legislators in all four caucuses hammered out compromises on each of these issues and they were dramatically (and positively) altered from the original bills.

Senate leaders have already indicated that advancing a package of reform issues will be the focus of the Coalition Caucus in 2014. Senator Steve Litzow (R-Mercer Island), Chair of the Senate Early Learning and K–12 Education Committee, has stated, “On the reform piece, we were not able to get everything through the House, so we will have to come back and address that.” Without the “distraction” of the budget next year, it is anticipated Senate leaders will be even more adamant and aggressive about adopting this reform agenda. In many respects, we won the battle this session, but the war will rage on.

Next Steps

Advocacy is a year-round effort and the end of the Legislative Session should not mean the end of school administrators’ advocacy activities. Continue to maintain contact with your elected officials and build your relationships with them. As

Editor's Note:

My thanks to Paul Rosier, Mack Armstrong, John Dekker, Ken Hoover (Legislation & Finance Committee Chair), Paul Sturm (WASA President), Mike Nelson (WASA President-elect), John Kvamme (Pensions & Health Benefits Consultant), Mitch Denning (AEA), Jim Shoemake (AESD), the ESD Superintendents, and members of WASA's Legislation & Finance Committee (see page 75) for participating in the weekly conference calls, and to WASA members for participating in our advocacy efforts by reading *TWIO*, contacting legislators, and engaging with your communities in support of Washington's students and public schools. Together, we can—and did—make a difference!

A special thank you to John Kvamme as he officially hangs up his "lobbying shoes" after leading WASA's (and AWSP's) efforts on retirement and health benefits issues for over 20 years. His retirement is well-deserved, but his knowledge, institutional memory and leadership will be missed. We wish him well!

Additional thanks go to my WASA staff colleagues for their support, in particular Sheila Chard for her faithful service, always positive and helpful attitude and never-ending support.

your districts' budgets are completed, explain to legislators what obstacles you continue to face. Many of them do not understand your frustrations—and many of them will be perplexed why a billion dollar increase in basic education funding hasn't solved your problems.

With the 2012–13 school year ended, the focus will turn to the 2013–14 school year. NOW is the time to begin planning activities during November's Focus on Education month. Use this as an opportunity to showcase your schools' and your students' successes to the community—and your legislators. Consult with colleagues in your region and/or visit WASA's [Focus on Education webpage](#) for ideas about how to make this a successful event or series of events.

The journey toward 2018, the Legislature's deadline for full compliance with the paramount duty (and fulfillment of the Supreme Court's Orders), will be an arduous one. It was difficult to achieve the \$1.0 billion *McCleary* down payment, but that will pale in comparison to the effort needed to continue up an even steeper ramp. School administrators must remain vigilant—and ramp up their advocacy activities. The 2014 Legislative Session is just six months away—and it's never too early to plan ahead.

2013–15 Operating Budget: 3ESSB 5034

Legislative sessions held in odd-numbered years are the “long” sessions (limited to 105 days), wherein the state’s two-year Operating Budget and Capital Construction Budget are written and approved.

A recurring theme for the past several sessions, the 2013 session began amid fiscal concerns. Coming into the session, legislators prepared to write a 2013–15 Operating Budget which had a projected \$900 million shortfall (that is, the gap between anticipated revenues and expected expenditures was nearly \$1.0 billion). Complicating matters, this projected shortfall did not include the significant down payment to K–12 education necessary to comply with the Supreme Court’s Orders in the *McCleary v. State* education funding case. Including that required funding swelled the projected shortfall to well-over \$2.0 billion (or more, depending on the ultimate size of the down payment).

In simple terms, closing the budget gap was expected to require broad reductions to most areas of state government or an increase in revenues (or a combination of those two options). After multiple years of large budget cuts, citizens (and legislators) were weary of regular budget reductions and there were real concerns that further reductions would negatively impact direct services. The second major option—revenue increases—was also expected to be difficult to achieve. Washington’s new governor, Jay Inslee, sworn into office on January 16, repeatedly discussed his opposition to tax increases on the campaign trail. After being elected, he continued to reject the idea of “general revenue increases,” going so far as to say that he would veto any tax package that reached his desk.

Agreeing with Governor Inslee was a newly formed Senate Majority Coalition Caucus. This “Republican-minded” majority, comprised of 23 Republicans and two conservative Democrats, took control of the state’s upper chamber and quickly made it known that they had no intention of even considering tax increases.

Further complicating any effort to raise revenue was Initiative 1185, which was overwhelmingly adopted by voters in November. I-1185, Tim Eyman’s most recent tax-limitation initiative, required a two-thirds majority vote of both houses of the Legislature to adopt revenue increases. As session began, I-1185’s predecessor, I-1053, was before the Supreme Court awaiting a decision on its constitutionality. Even if I-1053 was ruled to be unconstitutional (which would also invalidate its nearly identical twin, I-1185), many key legislators—in all four caucuses—made it clear any potential revenue package would not be adopted in Olympia, but would be sent to the voters for their decision. Ultimately, the Court did strike down I-1053 (and I-1185), but the tax floodgates never opened.

Entering the session, the budget news was grim (again); however, educators had high hopes that the Legislature would step up to its constitutional duty—while the Supreme Court looked over its shoulder—and provide a significant down payment for basic education, making “real and measurable” steps towards full funding of basic education by 2018. Along with the pressure from the Court, the Legislature had in its hands fresh recommendations from its Joint Task Force on Education Funding, which suggested a down payment of about \$1.4 billion would be needed in the 2013–15 budget to keep the state on pace to fund ESHB 2261/SHB 2776 and comply with the Court’s *McCleary* Orders.

By no means were the Task Force recommendations unanimous. The House and Senate Democratic members of the Task Force, along with the three citizen appointees, fully supported the \$1.4 billion “down payment,” followed by recommendations for \$3.3 billion in 2015–17 and another \$4.5 billion in 2017–19. The House Republicans, however, presented their own plan, via a minority report, suggesting a down payment of approximately \$1.0 billion. The Senate Republicans were essentially silent: they refused to support—or officially reject—the Task Force recommendations; they provided no support for the House

Republican minority report; and they failed to provide their own minority report. Individual members, including Senator Steve Litzow (R-Mercer Island), a member of the Task Force and the incoming Chair of the Senate Early Learning & K–12 Education Committee, indicated their caucus would be supporting a down payment in the \$400–\$500 million range.

As the session began, early work sessions in the Senate Early Learning & K–12 Committee and the Senate Ways & Means Committee provided insights into the direction the Senate Majority Coalition Caucus would be heading on *McCleary*. There was a clear animosity towards the Court decision (and the Court itself for having the audacity to question the Legislature) and Senate Majority members did little to hide their desire to either provide the bare-minimum in a basic education enhancement or drastically revise ESHB 2261 and/or SHB 2776 in an effort to avoid their responsibility. (Note: In the end, little effort was made to alter ESHB 2261/SHB 2776; however, it is assumed this will be a priority action in 2014.)

Senate Coalition members quickly realized that trying to get away from providing a “significant” down payment would be difficult—especially when even their House Republican colleagues were pushing for a \$1.0 billion enhancement. On March 14, House Republicans were first to release a legislative budget proposal. As they have done in recent years, this proposal was a K–12 stand-alone budget, which followed the Caucus mantra of “Fund Education First.” The proposal included K–12 policy increases of \$903 million, of which \$817 million was targeted for *McCleary* compliance. Policy level reductions totaled \$347 million, however, bringing the net increase in policy changes to \$556 million.

Even though the House Republican budget proposal would have provided over \$800 million for *McCleary*, the plan was very problematic. The current, statutory implementation schedule for major basic education enhancements adopted in SHB 2776 would have been flipped. Rather than providing large enhancements for Pupil Transportation and Maintenance, Supplies and Operating Costs (MSOC) to free up local levy dollars and continuing the phase-in of K–3 Class Size Reductions and state-funded All Day

Kindergarten, the House Republican proposal would have: made no enhancement to Pupil Transportation; provided a token increase in MSOC; fully funded All Day Kindergarten; and provided significant increases in Class Size Reductions.

The following week, the state’s revenue forecast was updated. The forecast was essentially flat, resulting in a minor increase (\$40 million net) in projected revenues for the coming biennium. Unfortunately, the projected shortfall still rose due to an unexpected \$300 million increase in caseload costs and a negative \$160 million impact from the Supreme Court’s *Bracken* decision regarding the state’s estate tax. The total projected shortfall for 2013–15 grew to approximately \$1.3 billion (not counting any *McCleary* enhancement).

The Senate Majority Coalition Caucus released its (first) budget proposal on April 3. Included was an increase in overall K–12 spending of \$1.5 billion, of which \$1.0 billion was pegged for *McCleary* compliance (although specific funding for ESHB 2261 and SHB 2776 items was closer to \$760 million). The proposal included no new taxes and was funded with a complex web of unidentified “spending controls,” fund transfers and permanent revenue “redirections,” including a shift of funding out of the Common School Construction Fund.

House Democrats responded the following week, releasing its (first) budget proposal on April 10. Overall K–12 spending would increase by \$1.8 billion, with almost \$1.3 billion provided for *McCleary* compliance. The proposal relied on broad budget reductions, fund transfers and the use of the entire \$575 million in the state’s Budget Stabilization Account (BSA). Needing a nearly impossible-to-achieve two-thirds vote of both houses to access the BSA, it was assumed there was an almost \$600 million hole in the House’s budget. The proposal also relied on almost \$1.3 billion in new revenue from the closure of several tax loopholes and the extension of two temporary, but expiring, tax surcharges. It was expected the revenue increases would have an uphill battle (an understatement) in the Senate, but the full revenue package was not even able get enough support to be moved from the House. This further

increased the size of the “unfunded” hole in the House’s budget.

With about two weeks remaining in the 2013 Regular Session it was assumed budget-writers from both houses would get down to the business of negotiating a final, compromise budget. Instead, leaders in both houses used their time and energy (and public relations staff) to take pot shots at the unsustainable nature of the other side’s budget proposals.

The Regular Session ended on April 28 with no real progress made in budget negotiations. Governor Inslee gave legislators two weeks off—ostensibly to allow budget negotiators time to hammer out some of their differences—and called the Legislature into a Special Session beginning May 13. Little (if any) progress was made in negotiations by the start of the First Special Session, so the vast majority of rank-and-file legislators remained at home.

With less than a week before the end of the First Special Session, the Legislature emerged from its slumber on June 5 as the House introduced (and quickly adopted) a second budget proposal. The compromise, olive branch proposal reduced the House’s original spending level by over \$800 million, removed the reliance on BSA funds and jettisoned the majority of its revenue proposals. The proposal also reduced the *McCleary* enhancement from \$1.3 billion to \$840 million—and linked additional enhancements to a revenue package.

The Senate in short order responded by adopting a budget proposal that was almost identical to the bill it proposed and adopted in early April. The Senate’s new budget proposal did include two revenue fixes the House had been pressing for all session: one to address the Supreme Court’s *Bracken* decision (estate tax) and one updating telecommunications taxes (which would avoid potential costly litigation in the future). Senate leaders, however, clearly stated these two revenue bills would not be acted upon until the House adopted three Senate-approved policy “reform” measures. Two of those issues were education-related: “mutual consent” (SB 5242) and a cap

on non-education spending (SB 5895). (In the end, the “hostages” were released without being adopted.)

On June 11, the thirtieth and last allowed day of the First Special Session, the Legislature adjourned with no further action on the budget. Governor Inslee quickly called for a Second Special Session, beginning June 12.

The logjam finally started to crack following positive revenue and caseload forecasts on June 18, providing legislators with approximately \$320 million in newly available revenue. This alone was not enough to end the stalemate, however. The end of the fiscal year—and the end of the current budget—was midnight, June 30. If no state budget was adopted by then, much of state government would have been shut down. This deadline caused budget negotiations to be shifted into high gear. Finally, on June 28—Day 152 of the 2013 Legislature and less than three days before an embarrassing government shutdown—legislators adopted a final, compromise 2013–15 Operating Budget.

Positively, the final budget provides a policy level increase for K–12 education of approximately \$1.5 billion, including a *McCleary* down payment of around \$1.0 billion. Unfortunately, this falls well-short of the \$1.4 billion recommendation from the Legislature’s own Joint Task Force on Education Funding (see graphic on page 10). The funding is even farther from the additional billions of dollars the state claimed would be funneled to basic education in testimony to the Court during the *McCleary* trial.

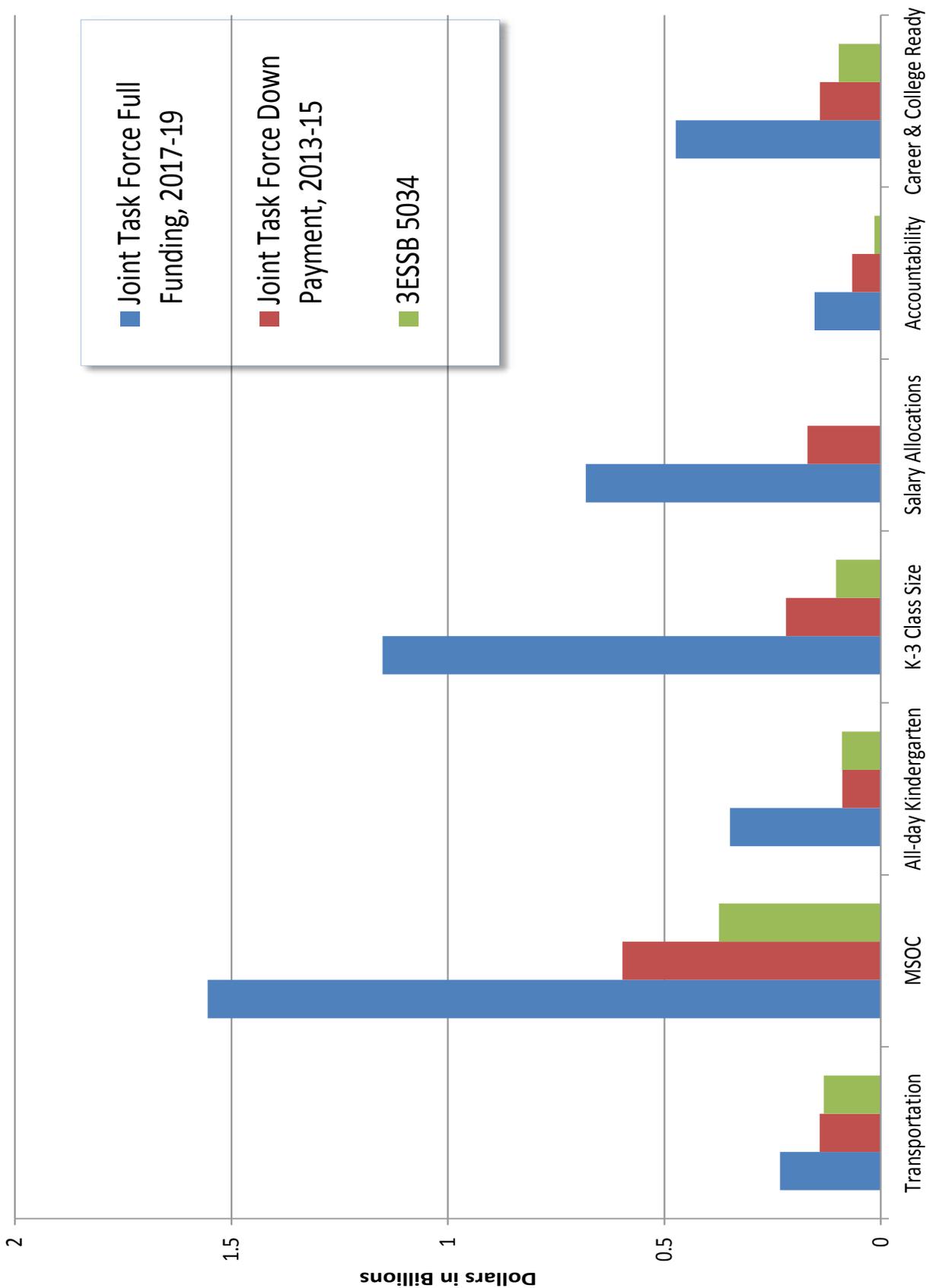
Certainly, \$1.0 billion will help, but it will not solve our funding problems. And the deadline for full implementation of ESHB 2261/SHB 2776 and full compliance with *McCleary* remains 2018. It was difficult to achieve this \$1.0 down payment, but that will pale in comparison to the effort needed to continue up an even steeper ramp in the next two biennia.

Details of the K–12 portion of the budget as adopted by the 2013 Legislature and signed by Governor Inslee follow.

For additional budget information, please use the following links:

- 2013–15 Operating Budget: [3ESSB 5034](#)
- Legislative Evaluation & Accountability Program (LEAP) Committee: [Budget Summary and Agency Detail](#)
- LEAP Documents: [staff mix and salary allocation schedule](#)
- [OSPI Pivot Tables](#)
- OSPI Budget Driver Summary: [John Jenft rate sheet](#)
- OSPI Budget Updates: [School Apportionment & Financial Services](#)

2013-15 McCleary "Down Payment" vs. Joint Task Force Recommendations



BUDGET DETAILS: K–12 ENHANCEMENTS

Maintenance, Supplies & Operating Costs— \$374.0 million

The budget allocates \$374.0 million to enhance Maintenance, Supplies & Operating Costs (MSOC). As adopted in SHB 2776 (2010), MSOC encompasses seven components representing the non-staff costs of operating a school district. Allocations are increased from a maintenance level of \$562.88 per full-time equivalent student in the 2013–14 school year to \$737.02 per full-time equivalent student. In the 2014–15 school year, MSOC allocations are increased to \$781.72. The MSOC allocation required by law is revised to reflect actual audited expenditures by school districts, as reported by OSPI.

The allocation in the 2013–14 school year achieves 37 percent of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values. The allocation in the 2014–15 school year achieves 44 percent of the additional MSOC funding necessary. The final budget does not reduce MSOC rates for CTE enrollments as previously proposed.

Learning Assistance Program—\$143.07 million

Basic-education funding for the Learning Assistance Program (LAP) for under-achieving students is increased. LAP increases are coupled with program reforms specified in ESSB 5946, which requires LAP funds to be used for interventions and activities for which there is evidence, through research, that they are effective in improving academic achievement and prioritizing early-grade reading proficiency. Additionally, the Readiness to Learn program is consolidated into LAP and school districts may use LAP funds for the Readiness to Learn program.

Pupil Transportation—\$131.68 million

Funding is provided to continue implementation of the new pupil transportation funding formula. Funds in the amount of \$42.8 million for the 2013–14 school year provide 40 percent of the enhancement needed for full funding. As of the 2014–15 school year, the budget

provides 100 percent of funding necessary to fully complete phase-in of the state’s new pupil transportation funding formula as provided in ESHB 2261 (2009). Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting System (STARS). STARS uses statistical analysis of the 295 school districts to determine each district’s expected cost of operations.

Class Size Reduction—\$103.60 million

SHB 2776 (2010) 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. Current allocations for high-poverty schools provide for class sizes of 24.10 in grades K–3.

The budget provides targeted funding enhancements for high-poverty schools to further reduce class sizes in kindergarten and first grade to 20.85 students-per-teacher in school year 2013–14 and to 20.30 students-per-teacher in the 2014–15 school year. Although SHB 2776 specifies that enhanced funding is for “allocation purposes only,” the 2013–15 Operating Budget makes funds for class sizes lower than 24.1 contingent on the schools’ “demonstrated actual average class size” up to a class size of 20.30 students-per-teacher.

Instructional Hours—\$96.97 million

An increase in instructional hours is funded for grades seven through 12. As of the 2014–15 school year, funding allocations for an additional 2.2222 hours of instruction per week is provided, increasing the total required instruction for each of grades seven through 12 to 1,080 hours per year.

All Day Kindergarten—\$89.82 million

Allocations for statewide voluntary full-day kindergarten programs are expanded, increasing from 22.00 percent of kindergarten enrollment in the 2012–13 school year to 43.75 percent of kindergarten enrollment in the 2013–14 and 2014–15 school years. Schools receiving the state funding for full-day kindergarten will be those with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program.

School Counseling—\$24.06 million

The budget increases funding for guidance counselors in middle and high schools by 0.1 staff units per prototypical school (\$12.18 million), and increases funding for Parent Engagement Coordinators in elementary schools by 0.083 staff units per school (\$11.87 million).

Transitional Bilingual Instructional Program—\$18.86 million

Funding is provided to add instructional hours for up to two years per-student to assist students who have met English proficiency standards. In school year 2013–14, 3.0 hours of additional instruction per week are provided for students who exited the program in the immediate prior year. In school year 2014–15, 3.0 hours of additional instruction are provided for students who exited the program in the immediate prior two years.

Teacher/Principal Evaluations—\$15.00 million

Funding previously was provided to train all administrative staff in the new evaluation system and for a professional development program for teachers, including a comprehensive on-line training package. The training base-budget funding is enhanced by \$10 million in Fiscal Year 2014 and \$5 million in Fiscal Year 2015. The Fiscal Year 2015 amount is ongoing.

The Teacher/Principal Evaluation Program training funds are provided for OSPI to begin implementation of eight hours of training for every teacher in the state for the purpose of understanding the instructional framework,

state evaluation criteria, evaluation tool, and evidence required to determine effectiveness under the new Teacher/Principal Evaluation Program. The on-going \$5 million allocation per year is provided for small team “train the trainer” series for select staff from each of the 295 school districts on the use of student growth measures. The trained teams will provide three hours of training at their respective districts for one-third of teachers each year until full training implementation is achieved.

Low-Achieving Schools—\$10.28 million

Funding is provided for E2SSB 5329. Funding is sufficient to provide grants to school districts identified as persistently lowest-achieving, and having been listed by OSPI as a Required Action District (RAD). Grant sizes provided to a RAD will be determined by OSPI. Funds are also provided for staffing at OSPI for the implementation and continued administration of the program.

Local Effort Assistance—\$8.30 million

Due to basic education enhancements, school district levy bases will expand. This increases local districts’ levy capacity and increases Local Effort Assistance (LEA, or “levy equalization”) funding. The budget provides \$8.30 million (in addition to required maintenance level increases) for increased LEA payments.

Improved Student Outcomes—\$ 4.43 million

Funding is provided to implement ESSB 5946. This omnibus education reform bill addresses early-grade reading proficiency; requires Learning Assistance Program (LAP) funds to be used for interventions and activities which research shows to be effective and makes early-grade reading proficiency the first priority for LAP funds; limits the length of long-term suspensions and expulsions; establishes a beginning teacher mentoring program in statute; and redefines and amends the funding allocation for Alternative Learning Experience programs. Additionally, the permissible uses of LAP funds are extended to include interventions for students with behavioral issues, as well as the Readiness to Learn program.

Washington Achievers Scholars—\$2.40 million

The Washington Achievers Scholars program is expanded to increase the number of school districts in which the program is provided. The funds support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

High School Acceleration—\$2.17 million

Funding is provided to implement 2SHB 1652, which encourages school boards to adopt an academic acceleration policy for high-school students; enroll qualifying students in the next most rigorous level of advanced courses offered by the high schools; and notify students and parents/guardians regarding the academic acceleration policy and the advanced courses available to students. Financial incentives are provided for the support of teacher training, curriculum, technology, examination fees, and other costs associated with offering dual credit courses. One-half of the funds will be allocated to school districts based on the growth of percentage of students who earn dual high school and college credit during the prior school year. The remaining half of the funds will be allocated to school districts with high schools with dual credit enrollment in the lowest 25 percentage quartile, to assist with improving participation rates. Funding is provided for OSPI's administrative work to collect the dual credit data, and for incentive grants to schools.

Longitudinal Data System—\$1.17 million

Funding is provided to maintain and operate the K–12 Statewide Longitudinal Data System. In 2009, OSPI was awarded a \$5.9 million, four-year federal grant to build a Statewide Longitudinal Data System (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding is provided for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K–12 SLDS and the Student Record Exchange system.

Dropout Prevention and Retention—\$1.06 million

The Building Bridges and Jobs for America's Graduates programs are consolidated into a single Dropout Prevention and Retention program and are enhanced in total by \$1,056,000.

Kindergarten Readiness—\$712,000

Funding is provided for continued implementation of the Washington Kindergarten Inventory and Developing Skills (WaKIDS) program. With an increase in state-funded Full-Day Kindergarten, more teachers will be trained in WaKIDS.

Charter Schools—\$584,000

Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to 40 publicly-funded charter schools in Washington State over a period of five years. The initiative creates additional workload requirements for the State Board of Education and OSPI.

Career & Technical Education Grants—\$400,000

Funding is increased for secondary Career and Technical Education grants.

Dropout Prevention—\$208,000

HB 1276 would have created Dropout Prevention through Farm Engagement pilot projects. The bill failed to be adopted, but funding is provided to support a dropout prevention program that incorporates partnerships between community based organizations, schools, food banks, and farms or gardens. OSPI is required to partner with an organization that runs an existing similar program. OSPI may use up to \$10,000 of this amount for administration.

Audit Workload Increase—\$200,000

One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012–13 school year. A one-time workload increase is

funded for the 2013–15 biennium to address additional audit resolutions and appeals in the ALE program area. (Note: funding for this appropriation comes from the Performance Audit Account, not the General Fund.)

Financial Education Partnership—\$200,000

Funding is provided for the Financial Literacy Public-Private Partnership for Fiscal Years 2014 and 2015 to promote the financial literacy of students. Funding for the Partnership was previously funded by a private grant. The grant is set to expire at the end of the 2013 fiscal year. The General Fund-State appropriation is provided to replace the grant funds previously used to support the Partnership.

Mobius Science Center—\$200,000

Funding is provided to support the Mobius Science Center. The Center will use the funds to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

Non-Violence Leadership Training—\$170,000

Funding is provided to expand the non-violence and leadership training program, provided by the Institute for Community Leadership, to a statewide program.

Troubled Youth in Schools—\$138,000

Funds are provided to implement ESHB 1336. The bill adds educator training requirements and school planning requirements regarding youth emotional and behavioral distress, including suicide screening and referral. The bill also establishes a temporary task force to identify best practices for school districts to develop partnerships with community agencies to support youth in need.

Computer Science Education—\$124,000

Funding is provided for computer science education grants to improve and expand access to computer science education (as described in SHB 1472). The grant program supports computer science professionals' service as

co-instructors for Advanced Placement Computer Science and upgrades in technology, curriculum, and teacher training.

CTS Central Services—\$114,000

Funding is provided for each state agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees.

Teacher of the Year—\$100,000

The budget includes a funding adjustment for OSPI, increasing funding on a one-time basis to support Washington's Teacher of the Year.

State-Tribal Compacts—\$82,000

Funds are provided to implement E2SHB 1134. One-time funding in the amount of \$53,000 is provided for reprogramming of the apportionment system. Additional funds are provided for OSPI to adopt rules for the state-tribal education compacts and to administer the compact school application process.

School Nurses—\$50,000

Funding is provided for the development of recommendations for funding integrated school nursing and outreach services. OSPI and the Health Care Authority must collaborate to develop recommendations for increasing federal financial participation for providing nursing services in schools with the goals of integrating nursing and outreach services and supporting one nurse for every four-hundred fifty students in elementary schools and one nurse for every seven-hundred fifty students in secondary schools. The recommendations must include proposals for funding training and reimbursement for nurses that provide outreach services to help eligible students enroll in the Apple Health for Kids program and other social services programs. The recommendations must be submitted to the Legislature by December 1, 2013.

School Pilot Program Data & Study—\$50,000

Funds are provided to support the collection of data that will be used in measuring the outcomes of several pilot projects funded by the Legislature in recent years.

CPR/AEDs—\$27,000

Funding is provided for the implementation of SHB 1556, creating initiatives in high schools to save lives in the event of cardiac arrest. The bill requires OSPI, in consultation with others, to develop guidelines for medical emergency response and automated external defibrillator program for high schools. School districts that include high schools are required to offer instruction in cardiopulmonary resuscitation (CPR). CPR is added to the instructional requirements in health classes necessary for graduation.

Washington Innovation Schools—\$20,000

The Washington Innovation Schools program, created in 2011 (HB 1521), directed OSPI to identify and designate Washington Innovation Schools utilizing selection criteria developed by OSPI. Funding is provided for OSPI to convene a committee in Fiscal Year 2014 and Fiscal Year 2015 to select and recognize Washington Innovation Schools using the existing selection criteria to identify additional innovative schools.

Administrative Hearings—\$13,000

Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013–15 biennium.

BUDGET DETAILS: K–12 REDUCTIONS OR SAVINGS

Initiative 732—(\$295.47 million)

Initiative 732, approved by voters in 2000, requires an annual cost-of-living adjustment for school employees based on the Seattle Consumer Price Index for the prior calendar year. The Initiative has been suspended multiple

times since being adopted. The final budget again suspends these COLAs.

Assessment Reform—(\$24.96 million)

The budget assumes a \$24.96 million savings from changes to the statewide-required student assessments (EHB 1450). The changes include replacement of high school reading and writing exams with a single English Language Arts exam and utilization of the Smarter Balance test bank.

Hold Harmless Funding—(\$24.72 million)

The 2011–13 Operating Budget provided funding to hold districts harmless as the education funding system was converted to the SHB 2776 prototypical school funding model. The final budget assumes this “hold harmless” funding is no longer needed due to the increased funding allocations to implement ESHB 2261/SHB 2776 funding targets and enhancements to LAP funding. By eliminating hold harmless funding, the state “saves” \$24.72 million.

Alternative Learning Experience Programs— (\$12.67 million)

The State Auditor’s Office (SAO) recently completed 2010–11 school year audits of the Alternative Learning Experience (ALE) Program. An \$11.05 million one-time adjustment is included in the budget, which is based on the scope and size of the audit findings, adjusted by the historical ratio of SAO audit findings to OSPI audit resolution recoveries for ALE programs.

The budget includes an additional \$1.62 million savings due to implementation of ESSB 5946, which establishes new definitions and program guidance for funding ALE programs. Funding for ALE is based on the statewide ninth-through twelfth-grade Basic Education Allocation rate. The net savings from assumed audit recoveries and changes to the ALE program is \$12.67 million.

Readiness to Learn—(\$6.47 million)

The Readiness to Learn educational program is consolidated, with its funding being rolled into the increase in the Learning Assistance Program (LAP). LAP is also revised (ESSB 5946), permitting districts to use LAP funds for Readiness to Learn if they choose.

Navigation 101—(\$5.03 million)

Navigation 101 is part of a comprehensive school guidance and counseling program in Washington state. The purpose of Navigation 101 is to help students make choices for college and career readiness in the areas of course selection, goal setting, career planning, and postsecondary options, including financial aid. Funding for the Navigation 101 grants is eliminated. Funding for 2.5 FTEs at OSPI is maintained to support the curriculum where districts elect to continue to utilize the program using other funding sources.

Alternative Routes—(\$4.24 million)

Alternative certification routes are teacher-training programs that serve as different options to traditional teacher preparation programs. Funding in the amount of \$4.24 million is suspended for the 2013–15 biennium, with a resulting funding level of \$500,000.

National Board Bonus—(\$3.01 million)

The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous certification from the National Board for Professional Teaching Standards. Current law requires the regular bonus to be adjusted for inflation, increasing the bonus from \$5,090 to \$5,489. This requirement is suspended for the 2013–15 biennium and the bonus will remain at \$5,090.

PASS Act—(\$3.00 million)

The budget eliminates state funding for the Paying for Actual Student Success (PASS) Act which supports several dropout prevention and retention programs including

Building Bridges and Jobs for America's Graduates (JAG). Building Bridges and JAG are consolidated into a single dropout prevention and retention program and funding for them increased by \$1.1 million.

Education Technical Support Centers—(\$1.96 million)

Funding is eliminated for the Regional Education Technical Support Centers at the Educational Service Districts.

DES Central Services—(\$84,000)

Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013–15 biennium.

Attorney General Legal Services—(\$15,000)

Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013–15 biennium.

ADDITIONAL DETAILS**Salary Allocations**

State salary allocations for K–12 employees (1.9 percent for classified and certificated instructional staff and 3.0 percent for certificated administrative staff) were temporarily reduced for the 2011–12 and 2012–13 school years. Funding is provided to restore the reductions.

Levy Funding

The Per Pupil Inflation is established at 4.914 percent in calendar year 2014 and 4.914 percent in calendar year 2015.

Charter Schools

In addition to the funding provided to the State Board of Education and OSPI (\$584,000) to support the implementation of Initiative 1240, Charter Schools, the Office of Financial Management is also provided with \$916,000. I-1240 established a new Washington State Charter Schools Commission to be housed within the Office

of the Governor. The provided funding is for an executive director, part-time administrative assistant, and operations staff support for the Commission.

School Day Definition

The budget includes proviso language requiring a review of the use of school days (see SB 5588). The Joint Legislative Audit & Review Committee (JLARC) is directed to conduct an analysis of how school districts use school days. The analysis must include:

- How school districts define classroom time, non-classroom time, instructional time, non-instructional time, and any other definitions of how the school day is divide or used;
- Estimates of time in each category;
- How non-instructional time is distributed over the annual number of school days;
- When non-instructional hours occur;
- How non-instructional hours are used, including how much non-instructional time is devoted to professional development for the purposes of teacher and principal evaluation training or common core state standards training; and
- The extent to which the use of each category of time is identified or defined in collective bargaining agreements.

JLARC must submit a report of its findings to the Legislature by December 1, 2014.

Small Schools Funding

JLARC is also directed to review funding enhancement formulas that provide minimum staffing unit funding to small school districts and districts with school plants that have been judged by the State Board of Education to be remote and necessary. JLARC must make an assessment of the current formulas and report any recommended adjustments to the Legislature by November 1, 2014. In

assessing the current formulas, JLARC may consider: enhancements being made to basic education funding in the 2013–15 Operating Budget and committed to under ESHB 2261 (2009) and SHB 2776 (2010); developments in technology or educational service delivery since the formulas were established; practices in other states; districts' ability to provide students with access to a program of education; and inter-district equity.

Truancy—"Becca"

The Administrator for the Courts is provided \$3.2 million for school districts which file petitions to juvenile court for truant students. Allocation of the money to school districts is to be based on the number of petitions filed. The funding includes amounts school districts may expend on the cost of serving petitions. The Administrator for the Courts is also provided \$14.6 million for distribution to juvenile court administrators to fund the costs of processing truancy, children in need of services and at-risk youth petitions.

Residential Habilitation Centers

The Department of Social & Health Services is provided \$1.4 million to fulfill its contracts with school districts to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in Residential Habilitation Centers.

School Safety

The Criminal Justice Training Commission is provided \$200,000 for a school safety program. The Commission, in collaboration with the School Safety Center Advisory Committee, must provide school safety training for all school administrators and school safety personnel hired after the effective date of the budget.

Another \$192,000 is provided to the Criminal Justice Training Commission for the School Safety Center within the Commission. The Safety Center is to act as an information dissemination and resource center when an incident occurs in a school district in Washington or

in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. The Commission must provide funding to OSPI to continue to develop and maintain a school safety information website. The School Safety Center Advisory Committee is required to develop and revise the training program, using the best practices in school safety, for all school safety personnel. The Commission must provide research-related programs in school safety and security issues beneficial to both law enforcement and schools.

School Health Rules

As in previous budgets, proviso language is included explicitly prohibiting the Department of Health and the State Board of Health from implementing any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the Legislature and the Legislature has formally funded implementation of the rules through the state budget or by statute.

Additional proviso language has been added, requiring the Joint Administrative Rules Review Committee (JARRC) to review the new or amended rules pertaining to primary and secondary school facilities. JARRC must determine whether: the rules are within the intent of the Legislature as expressed by the statute that the rule implements; the rule has been adopted in accordance with all applicable provisions of law; or that the agency is using a policy or interpretive statement in place of a rule. JARRC must report to the Legislature the results of its review and any recommendations the Committee deems advisable.

LAP Review

The Washington State Institute for Public Policy is provided with \$85,000 to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the Learning Assistance Program, as directed by ESSB 5946. The initial inventory is due by August 1, 2014, and shall be updated every two years thereafter.

Education Funding Study

The budget included \$200,000 for the Washington State Institute for Public Policy to provide primary staff support for a new K–12 funding Task Force, comprised of four legislators, the State Superintendent and three members chosen by the governor. The Task Force would have been charged with examining options and making recommendations regarding the following topics:

- Revised salary allocation methodologies and models for administrative, classified, and certificated instructional staff in public schools (including regional salary differentials);
- Policies and funding to support Career and Technical Education, including:
 - o A revised funding allocation methodology for career and technical education for middle schools, comprehensive high schools, and Skill Centers through the prototypical school funding formula;
 - o Recommended capital facilities policies related to the siting of Skill Center campuses, including Skill Centers co-located on comprehensive high school and higher education campuses; and
 - o The feasibility of establishing technical high schools as an alternative delivery model for integrated secondary career and academic education; and
- The appropriate use of state and local property taxes to support the financing of public schools, modifications to property tax growth limitations, and strategies for improving the stability and transparency of such use.

The Task Force would have been required to submit an interim report to the Legislature by December 1, 2013, and a final report by December 1, 2014.

Prior to signing the budget, Governor Inslee eliminated this proviso. In his veto message, he stated: “Within the past three years, legislatively authorized working groups have conducted thorough reviews of compensation, career and technical education, and use of levies. Another task force is duplicative of proposals from recent workgroups.”

Public Records

The Ruckelshaus Center, located at Washington State University, is provided with \$25,000 to collaborate with local governments, the media, and representatives of the public regarding public record requests made to local government. The Center is required to facilitate meetings and discussions and provide a report to the Legislature by December 15, 2013. The report must include information on:

- Recommendations related to balancing open public records with concerns of local governments related to interfering with the work of the local government;
- Resources necessary to accommodate requests;
- Potential harassment of government employees;
- Potential safety concerns of people named in the record;
- Potentially assisting criminal activity; and
- Other issues brought forward by the participants.

Teacher Duties

Central Washington University's College of Education is provided with \$25,000 to conduct a study identifying the duties encompassed in a state-funded teacher's typical work day. The study is required to include an estimate of the percent of a teacher's typical day that is spent on teaching related duties and the percentage of the teacher's day that is spent on duties that are not directly related to teaching. A report is due to the Legislature by December 1, 2013.

Foster Care

The Children and Family Services division of the Department of Social and Health Services (DSHS) is provided with \$892,000 to provide individualized education services and monitor and support dependent students in an effort to improve their educational outcomes. The funding will be used to contract with a nonprofit entity that will establish a demonstration site in one or more school districts in Western Washington. The required goal of the contract is to improve the graduation rates of dependent

youth by two percent per year over five school year periods beginning in 2014–15. The contracted entity must provide reports on outcomes of the demonstration sites to DSHS and OSPI by June 30, 2014, and by June 30, 2015. An additional report must be provided to the Legislature by June 30, 2015, on the effectiveness of the demonstration site in increasing graduation rates for dependent youth.

Career Education Study

A budget proviso establishes a new Legislative Task Force on Career Education Opportunities. The purpose of the Task Force is to identify strategies for how education that supports career readiness, including but not limited to career and technical education, may be better integrated into secondary education opportunities for all students.

A ten-member Task Force must examine at least the following:

- An analysis of the career and college ready graduation requirements proposed by the State Board of Education and any recommendations regarding graduation requirements;
- Options for expanding career education and career exploration and planning into middle school;
- Options for increasing student and parent awareness of the multiple education and career pathways available for students;
- Strategies for enhancing and supporting work-integrated learning opportunities for students;
- Recommended policies that both support and provide appropriate state oversight and strategic planning for career and technical education offered in middle schools, comprehensive high schools, and Skills Centers; and
- Recommendations for how to maximize statewide use of the list of career and technical education course equivalencies to be identified by OSPI.

The Task Force must provide a preliminary report by December 15, 2013, including an initial analysis and a plan for completion of the final report. A final report is due September 1, 2014.

2013–15 Capital Budget: ESSB 5035

School construction funding continues to be a challenge, especially due to a continuing decline in revenues from trust lands. In recent years, the Legislature has done an admirable job of creatively finding additional resources for K–12 construction—and school construction was a capital budget priority again this year.

Although the Operating Budget and the Capital Construction Budget are separate issues, funded from (usually) different sources, the two budgets often become linked—either politically or financially. This means a Capital Budget seldom moves before the Operating Budget. There was an effort in the Senate to break that linkage this year. The Senate Majority Coalition Caucus introduced an “early action” Capital Budget in late January. SB 5445 would have appropriated a total of \$544 million, with \$475 million authorized in General Obligation Bonds for the School Construction Assistance Grant Program and \$10 million for a school security grant program (funding SB 5197, which required additional safety features in school buildings). The bill was “fast-tracked” through the Senate, being heard and adopted within two weeks of being introduced, but the House sat on the bill until the last few weeks of the Regular Session—and never actually moved it.

While the Senate attempted to separate the Capital Budget from the Operating Budget by adopting an “early action” budget (mostly focused on K–12 education), the effort failed. When the Legislature finally turned its focus to the Operating Budget, it was clear that a Capital Budget was not even going to be discussed until the Operating Budget was resolved. In part, this was politically motivated, but the two bills were financially linked as well. Budget-writers in both the Senate and House were intent on using a significant amount of Capital Budget resources to help fund the Operating Budget. And until it was known how the Operating Budget would be funded—and how much money would be transferred from the Capital Budget—the Capital Budget capacity was unknown.

As noted in the previous section of this summary, negotiations over the Operating Budget were extended and for much of the extra sessions it was feared that no Capital Budget would be adopted. This fear prompted the House to adopt an “emergency” version its original budget proposal. HB 1089 was the original request bill from Governor Gregoire. Before being moved, the House Capital Budget Committee adopted a striking amendment with the House’s version of the budget. In the final days of the First Special Session, however, the bill was drastically amended before being adopted by the full House. As amended and adopted, HB 1089 simply reappropriated funds for projects approved in 2011–13. The bill would have: authorized \$2.4 billion in reappropriations; made minor technical changes in the 2011–13 Capital Budget; and appropriated less than \$1.0 million in new appropriations.

Even though it seemed an eternity later, this “emergency” action was ultimately unnecessary. Budget-writers negotiating over the 2013–15 Operating Budget finally resolved their differences—including how much money would be lifted from the Capital Budget—and Senate and House negotiators got to work on finalizing a 2013–15 Capital Construction compromise. One of the final actions of the 2013 Legislature was to adopt a 2013–15 Capital Construction Budget, ESSB 5035, and a bond authorization bill, ESSB 5036, to fund the budget.

FINAL CAPITAL BUDGET

The 2013–15 Capital Budget provides \$3.61 billion in new appropriations, funded by \$2.02 billion in bonds and \$1.59 billion in other funds. Included is \$573.49 million for K–12 education construction. \$495.09 million of this is provided for the School Construction Assistance Grant Program. This maintenance-level appropriation will fund OSPI’s base request (including inflationary increases to the Construction Cost Allocation of \$194.26 in Fiscal Year 2014 and \$200.40 in Fiscal Year 2015) and will fully fund the expected requests for K–12 construction in the biennium.

K–12 EDUCATION DETAILS

- \$32.15 million is provided for Skills Centers. Included is \$11.89 million for the Spokane Area Professional-Technical Skills Center (NEWTECH), \$11.61 million for Phase III of the Pierce County Skills Center, \$7.15 million for the addition to the Clark County Skills Center, and \$1.5 million for Spokane Valley Tech.
- \$10.0 million is provided for School Security Improvement Grants. OSPI is required to allocate grants on a competitive basis for districts to implement emergency response systems, as described in 2SSB 5197.
- \$10.0 million is provided for Distressed Schools. Specifically, the funding must be used for the renovation of Cedar Park Elementary School and to accelerate the replacement of Arbor Heights Elementary School. Both schools are in the Seattle School District.
- \$7.0 million is provided for Energy Efficiency Grants in public schools. OSPI administers a competitive grant program for energy operational cost savings improvements in K–12 school facilities. Energy efficiency projects create long-term benefits and cost savings for school districts by significantly reducing energy operational costs, creating a healthy indoor environment for students and staff and by reducing the impact that energy creation and consumption has on the natural environment. Projects also have short-term benefits, including the creation of jobs in communities around the state and stimulated local economy. To be eligible for a grant, projects must use the energy performance contracting method or an equivalent method of evaluating and delivering energy operational cost savings.
- Delta High School is provided with \$5.4 million for construction.
- \$5.0 million is provided to the Office of Financial Management to oversee an Emergency Repair Pool for K–12 Public Schools. Emergency repair funding is intended to address unexpected and imminent health and safety hazards at K–12 public schools—including Skill Centers—that will impact the day-to-day operations of the school facility. To be eligible for funds from the Emergency Repair Pool, an emergency declaration must be signed by the school district board of directors and the Superintendent of Public Instruction, and submitted to the Office of Financial Management for consideration. The emergency declaration must include a description of the imminent health and safety hazard, the possible cause, the proposed scope of emergency repair work and related cost estimate, and identification of local funding to be applied to the project. Grants of emergency repair moneys must be conditioned upon the written commitment and plan of the school district board of directors to repay the grant with any insurance payments or other judgments that may be awarded, if applicable. The Office of Financial Management must notify the Legislative Evaluation and Accountability Program Committee, the House Capital Budget Committee, and the Senate Ways and Means Committee as emergency projects are approved for funding.
- The Tahoma School District is provided \$4.0 million for land acquisition from King County for the siting of a school.
- \$1.0 million is provided for renovation of the San Juan School District STEM Vocational Building.
- OSPI is provided \$3.85 million for administration of the Capital Projects Program.
- OSPI is provided \$1.34 million for Study and Survey Grants and for completing inventory and building condition assessments for all public school districts once every six years.
- OSPI is provided \$933,000 for mapping the design of new facilities and remapping the design of facilities to be remodeled, for school construction projects funded through the School Construction Assistance Grant Program.

- OSPI was provided \$250,000 to create an interagency agreement with The Evergreen State College for a study by the Washington State Institute of Public Policy. Prior to signing the budget, Governor Inslee vetoed this section—his only veto within the Capital Budget. The purpose of the study was to analyze the relationship between school design and student performance and to develop recommendations for the School Construction Assistance Grant Program. This vetoed section also called for a second interagency agreement with the Office of Financial Management to coordinate a review and make recommendations regarding the financing of specialized school facilities, such as Skill Centers.

Inslee’s veto message stated the studies are “overly broad and an unnecessary expense.” Further, he noted his belief that “the current system of evaluating school construction projects adequately addresses school capital needs.”

- Slipping through the backdoor is proviso language addressing an issue that simply will not go away. OSPI is required to “improve web-based access by taxpayers to school capacity and actual enrollment in order to understand possible opportunities to increase efficiency through consolidation.” OSPI is also required to post this capacity and enrollment information on its website.
- Additional proviso language allows OSPI to use funds to match federal dollars provided by the Office of Economic Adjustment for school replacement facilities located on military bases.
- Proviso language requires OSPI to expedite allocation and distribution of any eligible funds under the School Construction Assistance Grant Program to the Evergreen School District to address the school construction emergency resulting from the fire that destroyed the Crestline School.

- The space allocations for state funding assistance purposes for districts with senior or four-year high schools with fewer than four hundred students (as outlined in WAC 392-343-035), must be computed in accordance with the following formula:

Number of Headcount Students in Grades 9–12	Maximum Space Allocation Per Facility
0–200 students	42,000 square feet
201–300 students	48,000 square feet
301 or more students	52,000 square feet

Education-Related Bills That Passed

SHB 1076—High school programs

(Representative Haigh)

C192 L13

In Washington State, there are 46 “non-high” school districts that do not offer a high school program. Current law stipulates that any new high school program in a non-high district must be approved by OSPI. One of the requirements for establishing a new high school program is enrollment of at least 400 students in grades nine through 12, with a lesser number permitted if there is substantial evidence that enrollment will reach 400 within three years and remain stable. An exception was created in 2010.

Legislation was adopted in 2010 which allows two or more non-high school districts to form an interdistrict cooperative, called an Innovation Academy Cooperative, to serve high school students who reside in the participating non-high school districts. Student enrollment in this Academy is optional. One of the participating districts reports the students enrolled in an Academy for purposes of state funding allocations, but the levy bases of all participating districts are adjusted to reflect each district’s proportional share of enrollment.

An Academy is a high school program with one or more of the following characteristics:

- interdisciplinary curriculum and instruction organized into subject-focused Academies, with encouragement for an initial focus on science, technology, and math;
- a combination of service delivery models, including Alternative Learning Experiences, online learning, work-based learning, experiential and field-based learning, and direct instruction offered at multiple and varying locations; and
- creative scheduling and use of existing school or community facilities to minimize costs and maximize access for students who are geographically dispersed.

SHB 1076 modifies current law to allow students from school districts that are not members of an Academy to

enroll in a Cooperative’s reporting district, according to current law describing enrollment of nonresident students. High school students from districts that are not members of an Academy, however, are prohibited from enrolling exclusively in alternative learning courses provided by multidistrict online providers.

E2SHB 1134—State-tribal education compacts

(Representative McCoy)

C242 L13

There are currently seven tribal schools operating in the state that are not directly part of the public school system. Each of these schools was created by a tribal government body or entity and operates with grant-funding from the United States Department of Interior Indian Affairs. Each tribal government or entity operating these schools has entered into an interlocal agreement with a local school board to fund educational services for children in the school district. The interlocal agreements require compliance with certain school district policies and procedures including personnel, curriculum development, record inspection, and audits.

E2SHB 1134 authorizes OSPI to enter into a state-tribal education compact with the governing body of any tribe or the governing body of any school currently receiving funding from the Bureau of Indian Affairs. OSPI must convene a government-to-government meeting to initiate negotiations with any tribe or school that applies for an education compact. Any state-tribal education compact must address certain provisions, including compliance, notices of violation, dispute resolution, recordkeeping and auditing, delineation of respective responsibilities, term length, and termination.

Compact schools are generally exempt from state statutes and rules applicable to school districts and school boards, except as provided by law or by the terms of the compact. Compact schools, however, must comply with the following state requirements:

- provide a curriculum and conduct a basic education program;
- employ certified instructional staff, except in certain exceptional cases;
- comply with employee record check requirements and mandatory termination and notifications;
- comply with nondiscrimination laws;
- comply with future legislation governing compact schools; and
- adhere to generally accepted accounting principles and be subject to audits by the State Auditor.

No compact school may engage in sectarian practices in its operations, education program, admissions, or employment practices. A tribal-state education compact may not limit or restrict enrollment or school choice options available in the public school system. Compact schools are not prohibited from implementing a policy of Indian preference in employment. Compact schools may prioritize the enrollment of tribal members and siblings of enrolled students if enrollment demand exceeds the capacity of the school.

OSPI is required to apportion funding for a compact school according to the general statutory school funding formula. Allocations for certified instructional staff must be based on the average staff mix ratio of the school under the statewide salary allocation schedule. Allocations for classified staff and certified administrative staff must be based on the salary allocations of the school district in which the compact school is located. The funding allocation mechanism does not require compact schools to use the statewide salary allocation schedule.

In order to protect school districts that formerly provided funding to the compact school through an interlocal agreement, language was added to the bill requiring funds allocated for a compact school to continue to be temporarily included in the tax levy base of the school district.

Compact schools are required to report enrollment in the same manner as is required of school districts. The compact must establish the school's projected first year enrollment for purposes of determining amounts payable for that year. OSPI then must reconcile the amount paid in the first year with the actual student enrollment and make adjustments in allocation for the second year.

The final 2013–15 Operating Budget (3ESSB 5034) provides a total of \$82,000 to implement this bill. One-time funding in the amount of \$53,000 is provided for reprogramming of the apportionment system. Additional funds (\$29,000) are provided for OSPI adopt rules for the state-tribal education compacts and to administer the compact school application process.

SHB 1144—Educational interpreters

(Representative Dahlquist)

C151 L13

Currently there are over 1,300 Washington students aged three through 21 receiving special education in public schools as a result of being hearing impaired, deaf, or deaf-blind. Some of these students need sign language interpretation in order to access their education.

Current statutes require qualified interpreters for legal proceedings, but there are no minimum qualifications or standards for interpreters in Washington public schools.

SHB 1144 directs the Professional Educator Standards Board (PESB) to adopt standards and identify and publicize educational interpreter assessments that are available. PESB must also establish a performance standard for each assessment, defining what constitutes a minimum assessment result.

The bill defines an educational interpreter as a school district employee, whether certificated or classified, who provides sign language translation and further explanation for deaf, deaf-blind, or hearing impaired students. An educational interpreter assessment is defined as a written and performance assessment that is offered by a national organization of professional sign language interpreters that assesses performance in more than one sign language or system.

Beginning in the 2016–17 school year, educational interpreters who are employed by school districts must have successfully achieved the performance standard established by PESB. PESB must recommend to the Legislature by December 31, 2013, how to appropriately use the national interpreter certification and educational interpreter assessment for education interpreters.

The assessment requirements of the bill do not apply to educational interpreters who are employed to interpret a sign system or sign language for which no educational interpreter assessment has been identified by PESB.

HB 1178—Teacher certification

(Representative Lytton)

C193 L13

Current law requires passage of a basic skills test for admission to approved teacher preparation programs and for persons from out-of-state applying for a Washington teaching certificate. The basic skills that are assessed in this test must include at least reading, writing, and mathematics.

In 2002, the Professional Educator Standards Board (PESB) established the Washington Educator Skills Test Basic (WEST-B) as the requirement for admission to PESB-approved teacher preparation programs. This test is also required for persons from out-of-state seeking a Washington State residency teaching certificate. WEST-B contains three sub-tests that measure basic skills in reading, mathematics, and writing. Passage of all three sub-tests is required to meet the WEST-B requirement.

HB 1178 permits PESB to identify and accept other tests and test scores for admission to approved teacher preparation programs and for out-of-state Washington teaching certificate applicants. These alternative tests are required to be comparable in rigor to the basic skills assessment and candidates must meet or exceed the basic skills requirements established by the Board. PESB must also set the acceptable score for admission to teacher certification programs no lower than the average national scores for the SAT or ACT.

HB 1203—Children’s personal information

(Representative Farrell, by request of Department of Early Learning)

C220 L13

The Public Records Act requires that all state and local government agencies make all public records available for public inspection and copying unless they fall within certain statutory exemptions.

Prior to July 1, 2006, the Department of Early Learning (DEL) existed within the Department of Social and Health Services (DSHS) as the Division of Child Care and Early Learning. At that time, personal information contained in child care and early learning records had been protected under DSHS statutes regarding confidential records. When DEL became an independent agency, the confidentiality protections afforded to individuals under DSHS statutes became obsolete.

Legislation was adopted in 2011 to clarify that personal information—including: addresses, telephone numbers, personal electronic mail addresses, social security numbers, emergency contact, and date of birth information—for a participant in a public or non-profit program serving or pertaining to children, adolescents, or students, including but not limited to early learning or child care services, parks and recreation programs, youth development programs, and after-school programs is exempt from public disclosure under the Public Records Act.

HB 1203 further clarifies the 2011 law by exempting personal information contained in any file maintained by DEL for a child enrolled in a licensed child care or early learning program from public disclosure. This provides the same disclosure protections to children in private, for-profit child care or early learning programs as are provided to children in public or non-profit programs.

ESHB 1336—Troubled youth in schools

(Representative Orwall)

C197 L13

Legislation enacted in 2012 requires certain health professionals, including counselors, therapists, and social workers, to complete an approved training program of three to six hours in suicide assessment, treatment, and management every six years. The Department of Health (DOH) is writing rules to implement these provisions. The training requirement takes effect January 1, 2014.

School counselors, psychologists, and social workers are certified by the Professional Educator Standards Board (PESB) rather than by DOH. School nurses are certified by both agencies, but are not included under the 2012 legislation regarding suicide assessment training.

ESHB 1336 requires school counselors, psychologists, social workers, and nurses to complete a training program of at least three hours in youth suicide screening and referral as a condition of certification by PESB. Content standards for the training are to be adopted by PESB in consultation with OSPI and DOH. PESB must consider training programs on the Best Practices Registry of the American Foundation for Suicide Prevention and the Suicide Prevention Resource Center. The training requirement applies to continuing or professional certificates if the certificates are first issued or renewed on or after July 1, 2015.

As part of the currently required course on Issues of Abuse, PESB must incorporate standards for recognition, initial screening, and response to emotional or behavioral distress in students, including indicators of possible substance abuse, violence, and youth suicide. To be initially certified after August 31, 2014, educators must complete the expanded course.

Each Educational Service District must develop and maintain the capacity to offer training on youth suicide screening and referral, and on recognition, initial screening, and response to emotional or behavioral distress in students. Training may be offered on a fee-for-service basis or at no cost if funds are available.

If funds are appropriated, the Department of Social and Health Services (DSHS) must provide funds for mental health first-aid training targeted at teachers and educational staff. The final 2013–15 Operating Budget (3ESSB 5034) provides \$75,000 for this purpose. The training must follow a model developed by the Department of Psychology in Melbourne, Australia, and include descriptions of common mental disorders in youth, possible causes and risk factors, availability of various treatments, processes for making referrals, and methods for rendering assistance in initial intervention and crisis situations. The DSHS must collaborate with OSPI to identify methods of instruction that leverage local resources in order to make the training broadly available.

Beginning in the 2014–15 school year, each school district must adopt a plan for recognition, initial screening, and response to emotional or behavioral distress in students, and annually provide the plan to all district staff. School district plans may be a separate plan or a component of another required plan, such as the harassment, intimidation, and bullying prevention plan or the comprehensive safe school plan. The plan must include:

- identification of training opportunities for staff;
- how to use the expertise of trained staff;
- how staff should respond to concerns or warning signs of emotional or behavioral distress;
- identification and development of partnerships with community organizations and agencies for referral of students to health and social services, including development of at least one Memorandum of Understanding with such an entity in the community or region;
- protocols and procedures for communication with parents;
- how staff should respond to a crisis situation of imminent danger; and
- how the district will provide support to students and staff after an incident.

OSPI and the School Safety Advisory Committee must develop a model plan and post it on the School Safety Center website by February 1, 2014.

Finally, OSPI is required to convene a task force to identify best practices, model programs, and successful strategies for school districts to develop partnerships with community agencies to coordinate and improve support for youth in need. Resource documents must be posted on the School Safety Center website, and a report with recommendations is due to the Legislature by December 1, 2013. The task force must also explore the potential use of advanced online emotional health and crisis and response systems developed for use in other countries.

SHB 1397—Sexual health education

(Representative Orcutt)

C85 L13

In response to a bipartisan group of legislators, OSPI and the Department of Health cooperatively developed a framework for “medically and scientifically accurate” sexual health education for Washington youth. The resultant January 2005 Guidelines for Sexual Health Information and Disease Prevention lists components of evidence-based and effective education programs.

Public schools are not required to provide sexual health education, but those that do must assure that it is:

- medically and scientifically accurate;
- age-appropriate;
- appropriate for students regardless of gender, race, disability status, or sexual orientation;
- inclusive of information about abstinence and other methods of preventing unintended pregnancy and sexually transmitted diseases, though abstinence may not be taught to the exclusion of instruction on contraceptives and disease prevention; and
- consistent with the Guidelines.

In 2006, the Legislature required that the Washington Coalition of Sexual Assault Programs (Coalition), in consultation with the Washington Association of Sheriffs

and Police Chiefs (WASPC), the Washington Association of Prosecuting Attorneys (WAPA), and OSPI develop education materials to inform parents and community members about:

- the laws related to sex offenses;
- how to recognize behaviors characteristic of sex offenses and sex offenders;
- how to prevent victimization, particularly of young children;
- how to take advantage of community resources for victims of sexual assault; and
- other appropriate information.

SHB 1397 requires information related to the legal elements of sex offenses where a minor is a victim, the consequences upon conviction, and sex offender registration to be added to the educational materials prepared by the Coalition, WASPC, WAPA, and OSPI. By September 1, 2014, and biennially thereafter, the Coalition and the others must review and update the educational materials to make sure that they remain current, accurate, and age appropriate.

The bill also reiterates that every public school that offers sexual health education must assure the program complies with the Guidelines. Specifically, sexual health education programs must attempt to achieve the objective: “take responsibility for and understand the consequences of their own behavior;” and the objective: “avoid exploitive or manipulative relationships.” To achieve this, sexual health education programs should include age appropriate information about the legal elements of sex offenses where a minor is a victim and the consequences of conviction. Public schools are also encouraged to include the materials developed by the Coalition and others.

ESHB 1412—Community service

(Representative Bergquist)

C176 L13

The State Board of Education (SBE) establishes minimum requirements for high school graduation through

administrative rules. The current requirements are 20 credits among a specified distribution of subjects, a culminating project, and a High School and Beyond Plan. School district boards of directors are permitted to establish additional local high school graduation requirements. Currently, at least 20 school districts require students to complete community service for graduation.

The original version of this bill would have required all high school students to perform community service as a graduation requirement, beginning with the Class of 2017. As amended and ultimately adopted, ESHB 1412 requires all school districts, by September 1, 2013, to adopt a policy that is supportive of community service and provides an incentive, such as recognition or credit, for students who participate in community service.

EHB 1450—Student assessments

(Representative Hunt, by request of Superintendent of Public Instruction)

C22 L13 E2

EHB 1450 is a comprehensive reform of Washington's statewide student assessment system. The bill directs the Superintendent of Public Instruction to implement student assessments developed with a multistate consortium in English Language Arts (ELA) and mathematics, beginning in the 2014–15 school year. References to reading and writing as they pertain to the statewide student assessment system are replaced with references to the ELA. OSPI must also use test items from the consortium assessments to develop a 10th grade ELA assessment and modify the Algebra I and Geometry End of Course (EOC) assessments for use through a transition period.

The State Board of Education (SBE) is required to establish performance scores for the new assessments by the end of the 2014–15 school year. In setting scores for the high school consortium assessments, SBE must review the experience during the transition period, and examine scores used in other states for the consortium assessments and states that require passage of an 11th grade assessment for graduation. The scores established for purposes of

graduation may be different from the scores used for the purpose of determining career and college readiness.

Beginning with the graduating class of 2019, the high school assessments in ELA and mathematics from the multistate consortium will be used to demonstrate that students meet the state standard in those subjects.

During the period of transition to the new assessments:

- Students in the graduating class of 2015 through 2018 must meet the state standard on either the Algebra or the Geometry EOC, rather than on both EOCs.
- Students in the graduating class of 2016 have the additional option to use results from the consortium ELA and mathematics assessments administered in 2014–15 instead of the state reading, writing, and mathematics EOC assessments.
- Students in the graduating classes of 2017 and 2018 must meet the standard on a new 10th grade ELA assessment instead of the state reading and writing assessments. These students also have the option of using results from the consortium assessments in ELA and mathematics.

No change is made to the requirement for students starting with the class of 2015 to meet the state standard on a Biology EOC; however, the Legislature intends to transition from a Biology EOC to a comprehensive science assessment in a similar fashion as the transition from reading and writing assessments to ELA assessments and a comprehensive mathematics assessment, including using at least two years of results from the assessment. OSPI is directed to develop or adopt a science assessment that is not biased. After the Legislature directs OSPI to develop or adopt a new science assessment, OSPI must review the alternative assessments for science and make recommendations for additional alternatives, if any.

Current law allows students to use equivalent scores on the SAT or ACT or scores on specified Advanced Placement tests as alternatives to the state assessment for purposes of meeting the graduation requirements. This bill

adds a score of four or higher on specified International Baccalaureate exams to the list of alternatives to the state assessment that may be used for graduation purposes.

By December 1, 2013, OSPI is required to submit a report to the Legislature regarding the process used by OSPI, the multistate consortium, and other states to prevent bias and assure fairness in assessments.

Finally, school districts, at the beginning of each school year, are required to notify parents of enrolled students in grades eight through 12 about each student assessment required by the state, the minimum state graduation requirements, and any additional local graduation requirements. Information to be provided about the assessments is specified, and the OSPI must provide the information to school districts so that they may in turn provide it to parents.

SHB 1466—Alternative public works contracting

(Representative Haigh)

C222 L13

Alternative public works contracting procedures were first used on a very limited basis and then adopted in statute in 1994 for certain pilot projects. These alternative procedures included a Design-Build process and a General Contractor/Construction Manager (GC/CM) process which may be used on projects costing in excess of \$10 million. The use of alternative public works contracting procedures are authorized to a limited number of public entities, including school districts.

In 2005, the Legislature established the Capital Projects Advisory Review Board (CPARB) to monitor and evaluate the use of traditional and alternative public works contracting procedures and to evaluate potential future use of other alternative contracting procedures. The Board consists of 23 members, including one school facilities expert selected by WSSDA.

Under current law, the authorization to use alternative public works procedures expires June 30, 2013. SHB 1466 extends the allowable use of alternative contracting procedures to June 30, 2021.

The bill also implements a number of other changes to public works contracting procedures, including:

- elimination of the \$10 million requirement to use GC/CM. The certification renewal period is also increased from one year to three years; and
- modification of which projects are eligible to use the Design-Build procedure. Portable facilities used for K–12 school facilities are added to the list of allowable projects. Prefabricated buildings, however, are limited to no more than ten per site.

SHB 1472—Computer science education

(Representative Hansen)

C241 L13

Currently, there are 35 high schools in the state approved to offer Advanced Placement Computer Science. Although computer science is a Career & Technical Education (CTE) course, school districts have been directed to examine their credit-granting policies and award academic credit for CTE courses that are determined to be equivalent to an academic course. There is no current data collected on district credit-granting policies, however, so it is unclear if school districts are considering computer programming as equivalent to a mathematics course.

SHB 1472 requires school districts to approve AP Computer Science as equivalent to a high school mathematics course or science course, and must denote on a student's transcript that AP Computer Science qualifies as a math-based quantitative course for students who take it in their senior year. For AP Computer Science to be equivalent to high school mathematics, a student must be enrolled in or have completed Algebra II.

Earlier versions of the bill would have required OSPI to allocate, on a competitive basis, grants to school districts to assist them in establishing partnerships allowing school districts expanded capacity to offer more advanced computer science education. Prior to being adopted, this provision was amended out of the bill; however, similar language—and funding—is included in the final 2013–15 Operating Budget (3ESSB 5034). \$124,000 is provided for

computer science education grants to improve and expand access to computer science education. In addition, \$12,000 per year is provided for administrative support.

SHB 1541—Nasal spray

(Representative Klippert)

C180 L13

Current law allows a public or private school employee to administer oral medications, topical medications, eye drops, or ear drops to children who are in the custody of the public or private school at the time of administration. The following conditions must be met:

1. the school district or the private school has policies that address:
 - the designation of the employees who may administer the medications;
 - the acquisition of parent requests and instructions; and
 - requests from licensed health professionals prescribing within the scope of their prescriptive authority and instructions regarding students who require medication for more than 15 consecutive school days, the identification of the medication to be administered, the means of safekeeping medications, and the means of maintaining records of the administration of the medications;
2. the school district or private school possesses a written, current, and unexpired request of a parent, legal guardian, or other person having legal control over the student to administer the medication to the student;
3. the public school district or private school possesses:
 - a written, current, and unexpired request from a licensed health professional acting within the scope of his or her prescriptive authority for administration of the medication, because there exists a valid health reason that makes administration of the medication advisable during

school hours or the hours when the student is under the supervision of school officials; and

- written, current, and unexpired instructions from the licensed health professional regarding the administration of the medication to students who require medication for more than 15 consecutive work days;
4. the medication is administered by a designated school employee in compliance with the prescription or written instructions;
 5. the medication is first examined by the employee administering the medication to determine whether it appears to be in the original container and properly labeled; and
 6. a physician, advanced registered nurse practitioner, or registered nurse has been designated to train and supervise the designated employee in proper medication procedures.

Under current law, a school employee, school district, or private school is immune from civil or criminal liability arising from the administration of medications in a manner that complies with state law, the applicable prescription, and applicable written instructions. Similarly, a school employee, school district, or private school is immune from criminal or civil liability for the discontinuance of the medication as long as notice has been given to the parent, legal guardian, or other person having legal control over the student.

SHB 1541 modifies current law to include nasal spray in the types of medications that school employees and parent-designated adults may administer to students in public and private schools.

Under the provisions of the bill, if a school nurse is on the premises, he or she must administer a nasal spray that is a legend drug or a controlled substance. If no school nurse is on the premises, a non-nurse employee or parent-designated adult may administer a spray that is a legend drug or a controlled substance as long as he or

she summons emergency medical assistance as soon as practicable.

“Parent-designated adult” is defined as a volunteer or school district employee who receives additional training from a health care professional or expert in epileptic seizure care selected by the parents and who provides care consistent with the child’s individual health plan. The school district board of directors must allow school personnel who have received appropriate training and volunteered for such training to administer a nasal spray that is a controlled substance or a legend drug.

A parent-designated adult who is a school district employee must file a voluntary, written, current, and unexpired letter of intent stating the employee’s willingness to be a parent-designated adult. An employee who refuses to file a letter may not be subjected to reprisal or disciplinary action.

The school board must designate a physician, osteopathic physician, registered nurse, or advanced registered nurse practitioner (who is not responsible for the supervision of the parent-designated adult) to consult and coordinate with the student’s parents and health care provider to train and supervise the appropriate school district personnel in proper procedures for care for students with epilepsy to ensure a safe, therapeutic learning environment. The training may also be provided by a nationally certified epilepsy educator. Parent-designated adults who are school employees must receive the training. Parent-designated adults who are not school employees must provide evidence of comparable training. Parent-designated adults must also receive training from a health care professional or expert in epileptic seizure care selected by the parents.

NOTE: As this bill was working its way through the legislative process, the Nursing Care Quality Assurance Commission, on a parallel path, has been addressing this issue through an interpretive statement. The Commission’s discussion regarding the delegation of authority regarding nasal spray (Midazolam) also includes the administration of rectal Diastat. There are concerns that adoption of SHB 1541, regarding nasal spray, may open the door for future legislation allowing school employees and

parent-designated adults to administer rectal Diastat.

SHB 1556—CPR instruction

(Representative Van De Wege)

C181 L13

SHB 1556 requires OSPI, in consultation with school districts and stakeholder groups, to develop guidance for a medical emergency response and automated external defibrillator (AED) programs for high schools. This response and program must comply with current evidence-based guidance from the American Heart Association or another national science organization. OSPI, in consultation with the Department of Health, is required to assist districts in carrying out these programs and provide guidelines and advice for seeking grants for the purchase of the AEDs. OSPI is permitted to coordinate with local health districts or other organizations in seeking grants and donations for this purpose.

The bill requires every school district that operates a high school to offer instruction in cardiopulmonary resuscitation (CPR) to students. Beginning in the 2013–14 school year, instruction in CPR must be included in at least one health class necessary for graduation. The CPR instruction must:

- be an instructional program developed by the American Heart Association or the American Red Cross or be nationally recognized and based on the most current national evidence-based emergency cardiovascular care guidelines for CPR;
- include appropriate use of an AED, which may be taught by video; and
- incorporate hands-on practice in addition to cognitive learning.

School districts are permitted to offer the instruction in CPR directly or arrange for a community-based provider to deliver the instruction. The instruction is not required to be provided by a certificated teacher. Certificated teachers providing the instruction are not required to be certified trainers of CPR.

As originally introduced, the bill would have required students to complete CPR instruction in order to pass a health and fitness class, which is required for graduation. As amended and ultimately adopted, SHB 1556 only requires that instruction in CPR be included in at least one health class necessary for graduation. Amendments further clarify that students are not required to earn CPR certification to complete this instruction.

The final 2013–15 Operating Budget (3ESSB 5034) provides \$27,000 to assist OSPI (in consultation with others) to develop guidelines for medical emergency response and AED programs for high schools.

2SHB 1566—Foster care

(Representative Carlyle)

C182 L13

Beginning in 2001, the Washington Legislature, the Department of Social and Health Services Children’s Administration (DSHS), OSPI, and the Washington State Institute for Public Policy (WSIPP) have studied and developed strategies in an effort to improve the educational outcomes for youth residing in out-of-home placements.

Legislation adopted in recent years has: required OSPI to complete annual reports for the Legislature that examine the experiences and educational outcomes for youth in foster care; required DSHS to maximize educational continuity and achievement for foster children; and mandated that DSHS form a multidisciplinary oversight committee to promote best case practice for staff working with school-age youth who are residing in foster homes and monitor educational outcomes of these youth. As a result of litigation, DSHS has also been required to create benchmark measures for school stability with an annual goal of no more than 20 percent of youth in the state’s care changing schools during a given school year. According to reports, DSHS is currently in compliance with this educational benchmark.

2SHB 1566 provides further assistance to youth in foster care. DSHS is required to identify an educational liaison at shelter care hearings and all subsequent review hearings

for youth in grades six to 12 and who meet certain eligibility requirements. It is presumed that the educational liaison is the child’s parent. If the youth’s parent is not able to serve as the educational liaison, it is preferred that the educational liaison be known to the child and be a relative, other suitable person, or the youth’s foster parent.

The expectations of the education liaison are outlined and an example of expectations include, but are not limited to, attend school meetings, provide educational advocacy for the youth, seek to understand the youth’s academic strengths and future goals, and explore barriers and opportunities for the youth to participate in extracurricular activities.

It is the responsibility of DSHS to: discuss and document any school transfers at Family Team Decision-Making Meetings; to enroll the youth in school, to obtain missing academic or medical records required for school enrollment; to pay any unpaid fines due by the youth to the school district; and to document factors contributing to any school disruptions.

The bill also expands eligibility requirements for the Passport to College Promise Program to include youth participating in the extended foster care program or a youth achieving a permanent plan after 17–1/2 years of age, or a youth emancipating from foster care on or after January 1, 2007.

A school district representative or school employee is required to review and determine the cause of unexpected absences and proactively support the youth so the youth does not fall behind academically. A school district cannot prevent a youth from enrolling in school if there is incomplete information needed for enrollment. Beginning January 2015, a university-based research group must submit an annual report to the Legislature examining education outcomes for youth in foster care.

The final 2013–15 Operating Budget (3ESSB 5034) provides \$124,000 (\$93,000—state; \$31,000—federal) to assist DSHS-Children & Family Services to track educational liaisons for foster youth in grades six through 12, and conduct background checks of educational liaisons.

ESHB 1633—Competitive bid limits

(Representative Magendanz)

C223 L13

Current law requires, with limited exemptions, competitive bidding for purchases, repairs, and improvements by state agencies and municipalities, including school districts.

Exceptions include:

- emergency purchases;
- direct buy purchases as designated by the Department of Enterprise Services;
- sole source purchases;
- insurance and bonds required for risk management;
- purchases for vocational rehabilitation clients;
- purchases by universities for hospital operation or research purposes;
- purchases for resale by institutions of higher education when used for purposes of supporting instructional space; and
- certain Washington grown food.

Under current law, school districts have the authority to make repairs and improvements, and make purchases without competitive bidding when the work or purchases of goods, not including books, are below \$40,000. Purchases and repairs or improvements that are \$40,000 or below may be performed by the school district.

As introduced, the bill would have increased competitive bidding limits for school districts from \$40,000 to \$100,000. Additionally, the original bill would have annually increased bidding thresholds based on federal price indices.

As amended and ultimately adopted, ESHB 1633 increases school districts' limit for purchases, repairs, and improvements that require competitive bidding from \$40,000 to \$75,000. Proposed language regarding an automatic inflator was eliminated before final passage.

2SHB 1642—Academic acceleration

(Representative Pettigrew)

C184 L13

Across Washington, there are several different programs that provide high school students the opportunity to earn both high school and college credit. These programs include: Advanced Placement (AP); International Baccalaureate (IB); the Cambridge Program; College in the High School; Tech Prep; and Running Start. Currently, over 1,200 schools offer one or more of these programs, serving almost 115,000 students.

As originally introduced, all school districts would have been required to adopt a policy to automatically enroll a student who meets the standard on the high school state assessments in the next most rigorous advanced course in that subject, with the objective that students eventually enroll in dual credit courses. As amended and ultimately adopted, 2SHB 1642 encourages school districts to adopt an academic acceleration policy. If the policy is adopted, qualified high school students would be automatically enrolled in the next most rigorous level of advanced courses offered by the high schools. Students and parents/guardians would be required to be notified about the academic acceleration policy and the advanced courses available to students. If the policy was adopted, the district would be required to provide parents/guardians an opportunity to opt out and enroll a student in an alternative course.

Subject to funds appropriated, the bill also establishes the Academic Acceleration Incentive Program to provide school districts with financial incentives for the support of teacher training, curriculum, technology, examination fees, and other costs associated with offering dual credit courses. One-half of the funds will be allocated on a competitive basis as one-time grants for high schools to expand the availability of dual credit courses. To be eligible, a school district must have adopted an academic acceleration policy. OSPI must give priority to high schools with a high proportion of low-income students and high schools seeking to develop new capacity for dual credit courses.

The other half of the appropriated funds are allocated as an incentive award to school districts for each student who earned dual credit in specified courses offered by a high school in the previous year. OSPI must include information on dual credit exam pass-rates and college credits awarded in the School Report Card. OSPI must also report to the Legislature by January 1 of each year on the demographics of students earning dual credits in the schools receiving Academic Acceleration grants or awards.

The final 2013–15 Operating Budget (3ESSB 5034) provides \$2.17 million for OSPI’s administrative work to collect the dual credit data, and for incentive grants to schools. Schools will receive awards ranging from \$1,900 to \$10,000 depending on enrollment.

ESHB 1652—Impact fees deferral

(Representative Takko)

FULL VETO

Counties and cities that comprehensively plan under Washington’s Growth Management Act (GMA) may impose impact fees on development activity as part of the financing of public facilities needed to serve new growth and development. Current law includes specific requirements and limitations that are placed on the imposition of impact fees. “Public facilities,” within the context of impact fee statutes, are the following capital facilities that are owned or operated by government entities:

- public streets and roads;
- publicly owned parks, open space, and recreation facilities;
- school facilities; and
- fire protection facilities.

County and city ordinances by which impact fees are imposed must conform with specific requirements. Among other obligations, these ordinances:

- must include a schedule of impact fees for each type of development activity for which a fee is imposed;

- may provide an exemption for low-income housing and other development activities with broad public purposes; and
- must allow the imposing jurisdiction to adjust the standard impact fee for unusual circumstances in specific cases to ensure that fees are imposed fairly.

As adopted by the Legislature, ESHB 1652 would have obligated counties, cities, and towns to adopt deferral systems for the collection of impact fees from applicants for residential building permits through a covenant-based process, or through a process that delays payment until final inspection, certificate of occupancy, or equivalent certification. Local jurisdictions would have been authorized to adopt alternative impact fee collection deferral systems if certain requirements were met.

Counties, cities, and towns that have pre-existing impact fee delay processes would have been exempted from the provisions of this new law, so long as certain requirements were met.

School districts, along with a number of other local governments strongly opposed this legislation. Although it eventually was adopted by both the House and Senate, Governor Inslee vetoed the bill in its entirety when it reached his desk. In his veto message, he argued, “Many schools require impact fee revenues early in the calendar year to secure portable classrooms needed by the start of the new school year to ensure that students have appropriate classroom sizes and a healthy learning environment.” He also expressed concerns about the impact delayed payment of the fees would have on local transportation, fire protection services and other amenities needed to support growth.

This issue has been a major priority of the building community for several years and they are sure to return next year. Inslee offered them some hope by noting in his veto message that he would “support a bill that is targeted to provide assistance to small builders,” which would minimize the effect on schools, cities and others that depend on impact fees. He offered to assist with legislation that would defer impact fees for small builders during

the Legislature's Special Session(s), but no such bill was introduced.

SHB 1686—High school equivalency certificate

(Representative Seaquist, by request of State Board for Community and Technical Colleges)

C39 L13

The (GED) test is a high school equivalency test recognized in all 50 states. The GED was developed in the 1940s to help military personnel and veterans earn a high school credential and enter the workforce. The test is designed to cover academic areas of a high school education in five subjects, including language arts (reading), language arts (writing), mathematics, science, and social studies. It is offered in both paper and computer formats. The GED is a proprietary test and is owned by a for-profit company.

SHB 1686 removes the trademarked term "General Educational Development" from statute and replaces it with the term "high school equivalency certificate." This provides flexibility to use alternative tests, allowing for the use of the highest quality, cost-effective test available. A high school equivalency certificate is issued jointly by the State Board for Community and Technical Colleges (SBCTC) and OSPI. This certificate indicates that the holder has attained standard scores at or above the minimum proficiency level described by SBCTC on a high school equivalency test. SBCTC must identify and accept a high school equivalency test that is comparable in rigor to the GED, and must include testing in reading, writing, mathematics, science, and social studies.

Throughout the RCWs, the terms GED, general equivalency degree, general educational development, general education development exam, general equivalency diploma, general educational development test, certificate of educational competence, official report of the equivalent acceptable scores of the general educational development test, and GED certificate, are replaced with the term "high school equivalency certificate."

ESHB 1688—Student restraint or isolation

(Representative Stonier)

C202 L13

State law requires school districts to adopt school discipline policies and school districts are required to collect data on the disciplinary actions taken in schools. This information must be made available to the public, upon request, redacted for personally identifiable information.

State rules regarding special education limit the use of student isolation. They specifically indicate that the use of isolation shall be:

- provided for in a student's individual education program (IEP);
- in an enclosure that is ventilated, lighted, and temperature controlled from the inside or outside for purposes of human occupancy;
- in an enclosure that permits continuous visual monitoring of the student from outside the enclosure;
- in a manner that allows a responsible adult to remain in visual or auditory range of the student; and
- either in a manner that allows the student to release himself or herself from the enclosure, or in a manner that allows an adult to continuously view the student.

ESHB 1688 further clarifies state laws and rules regarding restraint and isolation. The bill defines the terms "isolation," "restraint," and "restraint device." The provisions of the bill apply to restraint or isolation of students who have an IEP or Section 504 plan and are participating in school-sponsored instruction or activities.

The bill requires that after school staff release a student from restraint or isolation, the school must conduct follow-up procedures to include:

- reviewing the incident with the student and the student's parent or guardian to address the student's behavior; and
- reviewing the incident with the staff member involved to discuss whether proper procedures were followed.

School employees, resource officers, or school security officers who use chemical spray, mechanical restraint, or physical force on a student must inform the administrator and file a written report to the district office. The contents of the written report are specified in the bill.

The principal must make a reasonable effort to verbally inform the parent or guardian about restraint or isolation within 24 hours and provide written notification postmarked within five days. Schools must provide this notification in a language other than English if the school customarily provides school related information to parents in languages other than English.

Schools that are required to develop IEPs must include within the plan procedures for notification of a parent or guardian. Parents or guardians of children who have an IEP or 504 plan must be provided a copy of the district policy on the use of isolation and restraint.

2SHB 1723—Early learning services

(Representative Kagi)

C323 L13 – Partial Veto

In Washington, there are several early learning, child care, and parent education programs. Each program has unique objectives, eligibility requirements, processes for enrollment, hours of operation, and funding streams. 2SHB 1723 is intended to expand and streamline early learning services and programs.

Among other things, this comprehensive early learning bill provides schools administering the Washington Kindergarten Inventory of Developing Skills (WaKIDS) with the authority to utilize up to three school days at the start of the school year to meet with parents and families.

The bill also establishes a technical working group to examine federal and state early education funding streams and early education eligibility processes. The technical working group is charged with developing technical options for system designs that blend and braid federal and state funding streams for early learning programs. Before signing the bill, Governor Inslee eliminated the section requiring this work group because a similar work

group was created in a separate bill, 2SSB 5595. In his veto message, he noted that the second work group had “a larger scope of analysis” and this bill’s section establishing its working group was being deleted to “avoid duplicating efforts that will likely achieve similar results.”

SHB 1812—Urban School Turnaround Initiative

(Representative Haigh)

C147 L13

The Legislature created and funded the Urban School Turnaround Initiative (USTI) in the 2012 Supplemental Operating Budget. The purpose was to improve learning achievement of students in low-performing urban schools. Under the grant, two schools are selected from the largest urban school district in the state (i.e., Seattle). The selected schools are required to be among the state’s lowest-performing schools. Additionally, the selected schools are required to be within the same community, have significant educational achievement gaps, and be a mix of an elementary, middle, or high schools.

The grant was one-time and was required to be used in the 2012–13 school year for intensive supplemental instruction, services, and materials in the selected schools. Funds were also permitted to be used for: professional development for school staff; updated curriculum, materials, and technology; extended learning opportunities for students; reductions to class sizes; summer enrichment activities; school-based health clinics; and other research-based initiatives to turn around the performance and close the achievement gap in the selected schools.

The two schools selected to receive the USTI grant were Aki Kurose Middle School Academy and Rainier Beach High School. Each school received \$1 million to be spent in the 2012–13 school year. Each school submitted a spending plan for the grant funds.

SHB 1812 removes the requirement that the schools selected to receive the Urban School Turnaround Initiative grant must utilize the funds in the 2012–13 school year and extends the time period in which they may spend the grant funds to three years. OSPI is directed to enter into

an expenditure agreement with the selected schools which requires grant funds remaining unspent on August 31, 2015, be returned to the state.

E2SHB 1872—STEM initiatives

(Representative Maxwell, by request of Governor Inslee)

C25 L13 E2

In 2010 the Legislature directed OSPI to convene a working group to develop a comprehensive plan to establish educational pathways from elementary education through postsecondary education and careers in Science, Technology, Engineering, and Mathematics (STEM). The plan defined STEM Literacy and made a number of recommendations regarding recruiting and retaining STEM educators; creating STEM pathways to boost student success; and using STEM education to close the opportunity gap and prepare students for career and college.

E2SSB 1872 establishes a comprehensive initiative to increase learning opportunities and improve educational outcomes in STEM through multiple strategies and statewide partnerships. The bill adopts a definition of STEM Literacy: the ability to identify, apply, and integrate concepts from science, technology, engineering, and mathematics to understand complex problems and to innovate to solve them. Four components of STEM Literacy are also described: scientific, technological, engineering, and mathematical literacy.

A STEM Education Innovation Alliance is established to advise the governor and provide vision and guidance in support of STEM education initiatives from early learning through postsecondary education. The Governor's Office, in consultation with OSPI, must invite representatives of businesses, education institutions, and organizations with expertise in STEM education to participate.

The first task of the new Alliance is to combine previous STEM education strategic plans into a comprehensive STEM Framework for Action and Accountability. The Framework must use selected measures that are meaningful indicators of progress in increasing STEM

learning opportunities and achieving longer-term outcomes in STEM. The Alliance must also develop a STEM Benchmark Report Card based on the Framework. The purpose of the Report Card is to monitor progress in aligning strategic plans and activities in order to prepare students for STEM-related jobs and careers, with the longer-term goal of improving educational, workforce, and economic outcomes. The Report Card must be posted online and contain the following:

- the most recent data for the measures and indicators of the Framework;
- information from state education agencies on how activities and resources are aligned with the Framework; and
- data regarding STEM job openings.

The Education Data Center in the Office of Financial Management (OFM) is required to coordinate data collection and analysis to support the Report Card. State education agencies—OSPI, the Washington Student Achievement Council (WSAC), the State Board for Community and Technical Colleges, the Workforce Training and Education Coordinating Board, the Professional Educator Standards Board, the State Board of Education, and the Department of Early Learning—must annually report on how their policies, activities, and expenditures align with and support the Framework. The Employment Security Department must also create an annual report on current and projected job openings in STEM fields for the Report Card. The first Report Card must be published by January 10, 2014, to be updated annually thereafter.

To the extent funds are appropriated for this purpose, the bill also requires OFM to contract with a statewide nonprofit organization with expertise in promoting and supporting STEM education from early learning through postsecondary education. The purpose of the contract is to identify, test, and develop evidence-based approaches for increasing STEM learning opportunities and improving outcomes that are aligned with the Framework.

The activities conducted under the contract are negotiated between the Governor's Office, OFM, and the selected organization, and include:

- a communications campaign about the importance of STEM Literacy and the opportunities presented by STEM education and careers;
- expansion of regional STEM networks;
- competitive grants to support innovative practices in STEM education, including models of interdisciplinary instruction and project-based learning;
- professional development opportunities, including technology-enabled learning systems to support state learning standards; and
- opportunities to extend the STEM into early learning.

Also subject to funding, OSPI, in consultation with the Alliance, is directed to identify and disseminate resources and materials to elementary, middle, and high schools to encourage interdisciplinary instruction and project-based learning in the STEM.

WSAC must consult with the Alliance in order to align its required Roadmap with the Framework and must include strategies in the Roadmap to strengthen the education pipeline and degree production in STEM fields. The Quality Education Council must include strategies to increase STEM learning opportunities in its goals and priorities for the education system.

Finally, the provisions of the bill, as well as previously adopted laws pertaining to STEM lighthouse schools, the STEM director at OSPI, the MESA program, and grants for STEM curricula, are all placed in a new RCW Chapter.

ESHB 1968—Before- and after-school programs

(Representative Kagi)

C227 L13

The Department of Early Learning (DEL) regulates child care in Washington. DEL licenses three categories of child care providers: family homes, child care centers, and school-age centers. Separate sets of licensing rules are used to regulate each type of provider.

DEL's licensing rules operate in accordance with accepted fire and building code standards that apply to any given facility type. If an agency, program, or child care facility does not receive a certificate of compliance from the Washington State Fire Marshal, the agency, program, or childcare facility cannot be licensed by DEL.

ESHB 1968 requires the Washington State Patrol, through the Fire Marshal's office, to adopt licensing standards that allow children who attend classes in a school building during school hours, or children who attend another school and are transported to the school, to remain in the building to participate in before-school or after-school programs.

HB 2043—Educator compensation

(Representative Hunter)

C5 L13 E2

Initiative 732 was approved by voters in the November 2000 general election and requires the state to provide an annual cost-of-living adjustment for K–12 teachers and other public school employees, as well as community and technical college academic employees and classified employees at technical colleges. The COLA is based on the Seattle-area Consumer Price Index from the most recently completed calendar year. The I-732 COLA adjustments assumed in the 2013–15 maintenance level budget are 2.5 percent for the 2013–14 school year, and 1.8 percent for the 2014–15 school year.

The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous certification from the National Board for Professional Teaching Standards. Current law requires the regular bonus to be adjusted for inflation. The current bonus is \$5,090; adjusted for inflation, the bonus for the 2013–14 school year is \$5,510.

As part of the 2013–15 Operating Budget agreement, HB 2043 suspends the I-732 COLAs for the 2013–14 and 2014–15 school years. Additionally, inflationary adjustments to the National Board Bonus are also suspended for the 2013–14 and 2014–15 school years.

ESHB 2051—Basic education expenditures

(Representative Lytton)

C9 L13 E2

ESHB 2051 is intended to provide funding to carry out the Basic Education reforms enacted in ESHB 2261 (2009) and SHB 2776 (2010) and to make statutory changes necessary to support the effort.

The bill redirects certain revenues that are currently deposited into the Public Works Assistance Account (PWAA) into the Education Legacy Trust Account (ELTA)—which was established in 2005 to receive dedicated tax revenue to support the K–12 school system; increase higher education enrollments and financial aid; and provide for other educational improvements. The following changes are made through June 30, 2019:

- From July 1, 2013, through June 30, 2019, 2 percent of the Real Estate Excise Tax is deposited into the PWAA, and 4.1 percent is deposited into the ELTA. Thereafter, 6.1 percent is deposited in the PWAA;
- From July 1, 2013, through June 30, 2019, the portion of the Public Utility Tax that is currently deposited into the PWAA is deposited into the ELTA. Thereafter, the Public Utility Tax is deposited into the PWAA.
- As under current law, the Solid Waste Collection Tax is deposited in the State General Fund through June 30, 2015. From July 1, 2015, through June 30, 2018, 50 percent is deposited into the ELTA rather than the PWAA. From July 1, 2018, through June 30, 2019, the Solid Waste Collection Tax is deposited into the ELTA, and thereafter it is deposited into the PWAA.

The Education Construction Fund (ECF) was established to provide state assistance for K–12 and higher education construction projects. From July 1, 2004, to July 1, 2009, all net lottery revenues allocated for education were deposited in the ECF. In 2010, the Legislature redirected the deposit of state lottery revenue from the ECF into the Opportunity Pathways Account and required the State Treasurer to transfer \$102 million each year from the State General Fund into the ECF. In recent years, including the

2011–13 biennium, the transfers from the State General Fund have been suspended. ESHB 2051 eliminates the requirement that the State Treasurer annually transfer \$102 million from the State General Fund to the ECF.

Finally, the bill expands the Transitional Bilingual Instructional Program (TBIP), requiring school districts to make a program of instructional support available for up to two years immediately after students exit the program if they need assistance in other academic subjects.

EHB 2075—Estate tax

(Representative Carlyle)

C2 L13 E2

In February 2005, the Washington Supreme Court invalidated Washington’s estate tax. In response, Washington created a new, stand-alone estate tax—with revenues deposited into the Education Legacy Trust Account for the support of common schools and access to higher education—in 2005. In creating the new tax, language inadvertently created a “loophole” that allowed married couples, who transferred assets to a marital trust, to be exempt from the tax. The estates of two families who utilized a marital trust, but also had to pay the estate tax sued the state.

In October 2012, the Washington State Supreme Court, held for the plaintiffs (the Bracken family) invalidating part of the estate tax. After the *Bracken* decision was handed down, other estates in similar circumstances began filing lawsuits seeking refunds from the state.

EHB 2075 effective closes the marital trust “loophole.” The revised tax applies prospectively and retroactively, preventing families who unnecessarily already paid the estate tax from seeking refunds (although it is expected that lawsuits will continue).

To garner support in the Senate, a deduction for family-owned businesses was added to the bill beyond the fix for *Bracken*. The top tier tax rates were also increased. The changes made the bill revenue-neutral.

Barring a lawsuit that would invalidate the retroactive application of the tax, adoption of EHB 2075 prevented an anticipated revenue loss of \$160 million in the 2013–15 budget.

3ESSB 5034—2013–15 Operating Budget

(Senator Hill, by request of Governor Gregoire)

C14 L13 E2 – Partial Veto

This is the 2013–15 Operating Budget, along with a final 2011–13 Supplemental Operating Budget. For details, see budget section earlier in this report.

ESSB 5035—2013–15 Capital Budget

(Senator Honeyford, by request of Governor Gregoire)

C19 L13 E2 – Partial Veto

This is the 2013–15 Capital Construction Budget, along with a final 2011–13 Supplemental Capital Budget. The budget authorizes \$3.6 billion in new capital projects, of which \$2.0 billion are financed with state General Obligation bonds. For details, see capital budget section earlier in this report.

ESSB 5036—Capital construction bonds

(Senator Honeyford, by request of Governor Gregoire)

C20 L13 E2

This is the bill to authorize the issuance of state General Obligation bonds to support appropriations in the 2011–13 Supplemental and 2013–15 Capital Construction Budget (ESSB 5035). The State Finance Committee is authorized to issue General Obligation bonds to finance \$2.0 billion for capital construction projects.

ESB 5104—Epinephrine autoinjectors

(Senator Mullet)

C268 L13

An epinephrine autoinjector is a medical device used to deliver a measured dose of epinephrine, also known as adrenaline, using autoinjector technology, most frequently for the treatment of acute allergic reactions to avoid or treat the onset of anaphylactic shock. An autoinjector is

a medical device designed to deliver a single dose of a particular, typically life-saving, drug.

ESB 5104 permits school districts and nonpublic schools to maintain a supply of epinephrine autoinjectors at schools. Licensed health professionals with prescription authority may prescribe epinephrine autoinjectors in the name of the school district or school that can be maintained for use at the school. Epinephrine prescriptions must have a standing order for the administration of school-supplied, undesignated epinephrine autoinjectors for potentially life-threatening allergic reactions. Epinephrine autoinjectors may be donated to schools, but must be accompanied by a prescription.

If a student has a prescription for epinephrine, the school nurse or designated trained school personnel may administer an epinephrine autoinjector maintained by the school to respond to an anaphylactic reaction under a standing protocol. If a student does not have a prescription for epinephrine, the school nurse may administer an epinephrine autoinjector maintained by the school.

Epinephrine autoinjectors may be used on school property, including the school bus, and during sanctioned trips away from school property. The school nurse or designated trained school personnel may carry epinephrine autoinjectors on these trips. If a student is harmed due to the administration of epinephrine:

- licensed health professionals and pharmacists may not be liable for the injury unless they issued the prescription with a conscious disregard for safety; and
- school employees, schools, school districts, the governing board, and the chief administrator are not liable if the school employee administering the epinephrine did so in substantial compliance with a prescription and policies of the district.

School employees, except licensed nurses, who do not agree in writing to using epinephrine autoinjectors as part of their job description, may file with the school district a written letter of refusal to use epinephrine autoinjectors. This letter may not serve as grounds for actions negatively affecting the employee's contract status.

The bill requires OSPI to make a recommendation to the Legislature by December 1, 2013, regarding whether to designate other trained school employees to administer epinephrine autoinjectors to students without prescriptions when a school nurse is not in the vicinity.

SB 5114—K–12 campus access

(Senator Bailey)

C25 L13

State law mandates that if a school board provides access to the campus and student information directory to people or groups that make students aware of occupational or educational options, then the board must provide the same access to military recruiters for the purpose of informing students of educational and career opportunities in the military. Additionally, under the federal No Child Left Behind Act, school districts receiving federal funds must provide military recruiters the same access to secondary school students that is provided to post-secondary educational institutions or to prospective employers.

SB 5114 requires school districts which permit occupational and military recruiting on school campuses to allow equal access to official recruiting representatives of the Job Corps, Peace Corps, and AmeriCorps. “Access” is defined to include, but not be limited to, the number of days provided and the type of presentation space.

SSB 5180—Students with disabilities

(Senator Shin)

C231 L13

SSB 5180 establishes a Task Force on improving access to higher education for students with disabilities. The Task Force is to develop recommendations that will directly increase the success rate for students with disabilities who are transitioning from secondary to postsecondary education.

The Task Force must collaborate to carry out the following goals:

- make the transition from K–12 education to higher education more seamless and successful;

- select a statewide method of sharing best practices between and among K–12 education institutions and postsecondary education institutions;
- review documentation of disabilities at postsecondary education institutions, including developing resources for how school districts, in collaboration with students and their families, can get disability documentation applicable for postsecondary education institutions completed before a student’s high school graduation; and
- create a plan for how school districts and postsecondary education institutions can improve outreach to students and their families regarding available options in higher education.

When making the recommendations regarding the transition between secondary and postsecondary education, the Task Force must consider:

- how to ensure students’ interests, goals, and strengths guide the transition planning process;
- how to enable collaboration and communication between and among schools, institutions of higher education, and relevant state agencies to provide an effective transition;
- how assessment and disability documentation that is acceptable to postsecondary institutions should best be determined and obtained;
- how to identify the types of supports and accommodations that students will need in postsecondary environments;
- how students can plan their high school coursework to sufficiently prepare for the higher education environment; and
- if a statewide database of student disability accommodation equipment, software, and resources owned by school districts and postsecondary education institutions should be created to assist students’ educational transitions and, if created, what public entity is best suited to be responsible for the creation, maintenance, and the scope of that database.

When making recommendations regarding disability documentation, the Task Force is encouraged to consider:

- what should constitute a proper and complete documentation of a disability;
- how recently the documentation must have been completed; and
- which testing information, if any, must be included in the documentation.

Up to 29 people will serve on the Task Force, including eight members to be appointed by OSPI: two representatives from OSPI; two representatives from ESDs; and four representatives from local school districts that have high concentrations of students with disabilities enrolled in the district.

The Task Force is required to report its recommendations to the Legislature by December 1, 2013, and annually thereafter until January 1, 2016. The Student Achievement Council must provide staff support to the Task Force within existing funds.

2SSB 5197—Safe school buildings

(Senator Dammeier)

C233 L13

One of the many responses to the Newtown tragedy, this bill originally would have required every school to install at least one silent alarm located in its administrative offices to alert local police directly that law enforcement is needed at the school. Additionally, all new or remodeled schools would have been required to contain a mechanism by which the exterior school doors can be electronically locked from the administrative offices; to be designed to restrict the general public from entering the school through the administrative offices; and to be able to electronically lock administrative office doors to prohibit access to the rest of the school building.

As ultimately adopted, 2SSB 5197 requires school districts to work with local law enforcement to develop an emergency response system to expedite the response and arrival of law enforcement. Districts must submit

a progress report by December 1, 2014. Districts must consider: installing perimeter security control; and using building designs with certain safety features.

The School Safety Advisory Committee is required to develop model policies regarding emergency response appropriate for a range of scenarios, and develop recommendations for incorporating specified school safety features in the planning and design of new or remodeled facilities. A report is required by December 1, 2013.

OSPI must allocate grants on a competitive basis, if funds are appropriated, for districts to implement emergency response systems. The 2013–15 Capital Budget (SSB 5035) provides \$10.0 million for this purpose.

SSB 5316—Child abuse interviews

(Senator Becker)

C48 L13

Under current law, when the Department of Social and Health Services (DSHS) or law enforcement agencies are conducting an investigation of alleged abuse or neglect, they may interview children. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside the presence of the parents. Parental notification of the interview must occur at the earliest possible point in the investigation that will not jeopardize the safety or protection of the child or the investigation.

Prior to commencing the interview, DSHS or the law enforcement agency must determine whether the child wishes a third party to be present for the interview and, if so, must make reasonable efforts to accommodate the child's wishes. Unless the child objects, DSHS or the law enforcement agency must make reasonable efforts to include a third party in the interview so long as the presence of the third party would not jeopardize the course of the investigation.

SSB 5316 requires the Washington State School Directors' Association (WSSDA) to adopt a model policy to implement statutory provisions regarding the interview of children in child abuse and neglect investigations on school premises.

WSSDA must consult with DSHS and the Washington Association of Sheriffs and Police Chiefs in formulating its policy.

E2SSB 5329—Lowest-achieving schools

(Senator Litzow)

C159 L13

Originally introduced as a state “takeover” bill, E2SSB 5329 is intended to provide support to persistently low-achieving schools in alignment with the current Required Action District (RAD) process.

The State Board of Education (SBE) is required to propose rules to establish an accountability framework. OSPI must then design a system of support, assistance, and intervention based on the framework and submit the design to SBE for review. The system is required to be implemented statewide no later than the 2014–15 school year. To the extent state funds are available, the system must apply equally to Title I and non-Title I schools.

Beginning December 1, 2013, OSPI will identify a category of schools called “challenged schools in need of improvement.” The criteria adopted by OSPI in rule to identify schools must meet federal requirements under ESEA or other federal rules or guidance. The current state Accountability Index is renamed the Washington Achievement Index, and if federally approved, OSPI must use it to identify challenged schools in need of improvement.

OSPI must also identify persistently lowest-achieving schools for the state RAD process that are a subset of the challenged schools. The criteria for this designation must also be adopted by OSPI in rule and include lack of progress over a number of years, as well as the availability of funds for implementation of a required action plan. State as well as federal funds may be used to support a required action plan. The requirement that a RAD must implement one of four specified federal intervention models is replaced with a requirement that a RAD must implement an OSPI-approved school improvement model, based on turnaround principles, as defined in the bill. OSPI must also develop

guidelines for required action plans. School districts with more than one persistently lowest-achieving school must develop a required action plan for each school, as well as a plan for how the district will provide assistance.

If a RAD has not demonstrated sufficient improvement after at least three years of implementing a required action plan, SBE may either require development of a new plan or assign the district to a new Level II RAD process. If the RAD was a previous recipient of a federal School Improvement Grant (SIG), SBE may assign the district to Level II after one year. Before assigning a district to Level II, SBE must submit its findings to an Education Accountability System Oversight Committee, which must provide a review and comment back to SBE on the decision to assign a district to Level II. The Oversight Committee, comprised of eight legislators, two members appointed by the governor and one member from the Educational Opportunity Gap Oversight and Accountability Committee, is directed to monitor the effectiveness of the state system of support, assistance, and intervention in improving student achievement; review SBE determinations to assign a district to Level II RAD; make recommendations as necessary; and submit a biennial report to the Legislature.

Under Level II, OSPI must direct that a needs assessment and review be conducted to identify the reasons why the previous required action plan did not succeed. OSPI must then work with the school board to develop a Level II plan that specifically addresses the findings of the needs assessment and specifies the interventions that must be implemented. Interventions may include reallocation of resources, reassignment of personnel, use of a specified intervention model, or other conditions that OSPI determines are necessary for the Level II plan to succeed—which are binding on the school district. The Level II plan must also specify the assistance to be provided from OSPI, which may include assignment of onsite specialists with experience in school turnaround and cultural competence, and assistance from the Educational Service District. Level II plans must be submitted to SBE for approval. If OSPI and the school board do not agree, then OSPI must submit the Level II plan to SBE directly. The school board may request a reconsideration from Required Action Plan Review Panel,

but the SBE’s decision is final after considering the Panel’s recommendations.

School districts and employee organizations must reopen collective bargaining agreements if necessary to implement a Level II plan, using the process authorized under current law. If the Level II plan is one developed by OSPI without the agreement of the school board, then OSPI must participate in the collective bargaining discussions. OSPI is responsible for assuring that a Level II plan is implemented with fidelity. OSPI must defer to the local school board as the governing authority of the school district, but if OSPI finds that the Level II plan is not being implemented as specified, then OSPI may direct actions that must be taken by school personnel to implement the Level II plan or any binding conditions within it. If any Level II binding conditions are not being followed, OSPI is allowed to withhold the allocation of funds under authority provided in current law.

The final 2013–15 Operating Budget (3ESSB 5034) provides \$10.3 million to implement the provisions of this bill. Funding is sufficient to provide grants to school districts identified as persistently lowest-achieving, and having been listed by OSPI as a RAD. Grant sizes provided to the RAD is determined by OSPI. Funds are also provided for staffing at OSPI for the implementation and continued administration of the program.

ESSB 5491—Educational health

(Senator McAuliffe)

C282 L13

ESSB 5491 establishes a dashboard comprised of six statewide indicators of educational system “health” and directs the State Board of Education (SBE) and OSPI to establish a process for identifying system-wide performance goals and measurements for each of the indicators.

The six statewide indicators of educational system health are:

- the percentage of students demonstrating the characteristics of entering kindergartners in all six

areas identified by the Washington Kindergarten Inventory of Developing Skills (WaKIDS) assessment;

- the percentage of students meeting the standard on the fourth grade statewide reading assessment;
- the percentage of students meeting the standard on the eighth grade statewide mathematics assessment;
- the four-year cohort high school graduation rate;
- the percentage of high school graduates who, during the second quarter after graduation, are either enrolled in postsecondary education or training or are employed, and the percentage during the fourth quarter after graduation who are either enrolled in postsecondary education or training, or are employed; and
- the percentage of students enrolled in precollege or remedial courses in college.

The statewide indicators must be disaggregated into at least the following subgroups of students: Caucasian, Black, Hispanic, American Indian/Alaskan Native, Asian, Pacific Islander/Hawaiian Native, low income, transitional bilingual, migrant, special education, and students covered by Section 504 of the Federal Rehabilitation Act of 1973.

SBE and OSPI must establish a process for identifying realistic but challenging system-wide performance goals and measurements for each of the statewide indicators and each of the subgroups of students. The performance goal for each indicator must be set and adjusted on a biennial basis, with consideration given to:

- the magnitude of investments made in each budget toward fully funding the program of basic education;
- other funding enhancements for programs outside basic education; and
- the prior two-year gains or losses for that indicator.

The bill also requires SBE, OSPI, the Workforce Training and Education Coordinating Board, and the Student Achievement Council to align their strategic planning and education reform efforts with the statewide indicators and performance goals established by the bill. The four

agencies must jointly submit a report on the status of each statewide indicator and recommended performance goals and measurements by December 1 of each even-numbered year, except that the initial report establishing the baseline values and initial goals for statewide indicators must be delivered to the Legislature by December 1, 2013. If the state is not on target to meet the performance goals on any individual indicator, recommendations must be made as to whether adjustments within the program of basic education should be made to improve student achievement in that area. To the extent possible, performance goals for each statewide indicator must be compared with national data to determine if Washington student achievement in that indicator is within the top ten percent nationally. If comparison data shows that Washington students are falling behind national peers on any indicator, the report must identify and recommended evidence-based reforms targeted at addressing the indicator in question.

SB 5496—Online school programs

(Senator Braun)

C161 L13

Current law provides that private schools should be subject only to those minimum state controls necessary to ensure the health and safety of all the students in the state and to ensure a sufficient basic education to meet usual graduation requirements. The state and its relevant agencies may not restrict or dictate any specific educational or other programs for private schools, except as provided for by statute.

SB 5496 establishes a process for online school programs in private schools to be approved by the State Board of Education and clarifies that private school online programs are barred from receiving state funds.

This bill also requires the Private School Advisory Committee to examine and report on issues associated with state approval of online school programs offered by private schools. The Committee must submit a report, with recommendations if necessary, to the Legislature by January 10, 2014.

SSB 5559—Educational specialist degrees

(Senator Bailey)

C296 L13

One of the primary purposes of regional universities is to offer undergraduate and graduate education programs through the master's degree. The regional universities are specifically authorized by law to grant any degree through the master's degree to any student who has completed a program of study in an area determined by the faculty and the institution's Board of Trustees to be appropriate for granting a degree.

In 2011, legislation was enacted authorizing Eastern Washington University (EWU) to offer an educational specialist degree (Ed.S.). An Ed.S. is an advanced degree for people who already have a master's degree with a teaching or educational focus. It is an intermediate degree between a master's and a doctorate. Some common Ed.S. specialties include school psychology, curriculum and instruction, special education, and educational administration.

SSB 5559 modifies current law, authorizing the Boards of Trustees of Central Washington University, Western Washington University, and The Evergreen State College to offer Ed.S. degrees.

ESSB 5563—Sex abuse prevention

(Senator Kohl-Welles)

C10 L13

Currently, OSPI does not require teachers, administrators, and educational staff to receive sex abuse prevention training. However, the Professional Educator Standards Board (PESB) does. PESB requires the training for initial, continuing, and professional certification.

Under current law, to receive initial certification as a teacher in this state, an applicant must successfully complete a course on issues of abuse. The content of the course must discuss the identification of physical abuse, emotional abuse, sexual abuse, and substance abuse; information on the impact of abuse on the behavior and learning abilities of students; discussion of the responsibilities of a teacher to

report abuse or provide assistance to students who are the victims of abuse; and methods for teaching students about abuse of all types and their prevention. ESSB 5563 adds commercial sexual abuse of a minor and sexual exploitation of a minor to the list of content areas the course must discuss.

The bill also requires Washington Coalition of Sexual Assault Programs, in consultation with a number of other organizations—including the Washington State School Directors' Association and OSPI—must, by June 1, 2014, update existing educational materials made available throughout the state to inform parents and other interested community members about how to prevent children from being recruited into sex trafficking, among other issues.

2SSB 5595—Child care reform

(Senator Billig)

C337 L13

2SSB 5595 requires the Department of Early Learning (DEL) to provide training to department employees on professionalism when providing services to parents applying for or receiving assistance from the Working Connections Child Care Program (WCCC). Additionally, the Department of Social and Health Services (DSHS) must:

- return all calls from parents receiving benefits within two business days;
- develop a process by which parents can submit required forms and information electronically by June 30, 2015;
- notify providers and parents ten days before the loss of benefits; and
- provide parents with a document explaining the services they are eligible for, how they can appeal adverse decisions, and the parents' responsibilities in obtaining and maintaining eligibility for WCCC.

The bill also establishes a legislative task force on child care improvement. Staff support is to be provided by legislative committee staff. The task force is required to provide a report and recommendations to the Legislature

no later than December 31, 2013 addressing the following issues:

- creation of a tiered reimbursement model;
- development of recommendations and an implementation plan for expansion of the early childhood education and assistance program;
- development of recommendations for market rate reimbursement; and
- development of recommendations for a further graduation of the copay scale to eliminate the cliff that occurs at subsidy cut off.

Finally, by December 1, 2013, DEL and DSHS must:

- eliminate the current custody/visitation policy and design a flexible subsidy system;
- create broad authorization categories to account for minor changes in parents' work schedules;
- establish rules to specify that parents who receive WCCC and participate in 110 hours or more of approved work or related activities are eligible for full-time child care services; and
- clarify and simplify the requirement to count child support as income.

ESB 5620—School safety-related drills

(Senator King)

C14 L13

Under current law, schools must conduct no less than one safety-related drill each month that school is in session. Schools must complete no less than one drill using the school mapping system, one drill for lockdowns, one drill for shelter-in-place, and six drills for fire evacuation in accordance with the state fire code. Schools are asked to consider drills for earthquakes, tsunamis, or other high-risk local events. Schools must document the date and time of such drills.

At the request of school districts in Central Washington, ESB 5620 changes the number and type of safety-related drills that a school must conduct. Schools must now

complete three drills for lockdowns, three drills for fire evacuation, one drill for school mapping information systems, one drill for shelter-in-place, and one safety-related drill to be determined by the school.

2SSB 5624—STEM/CTE programs

(Senator McAuliffe)

C55 L13

The State Board for Community and Technical Colleges (SBCTC) is authorized to select community or technical colleges to develop and offer programs of study leading to applied baccalaureate degrees. Colleges selected by SBCTC to offer an applied baccalaureate degree must demonstrate the capacity to make a longer-term commitment of resources to build and sustain a high-quality program; have faculty appropriately qualified to develop and deliver high-quality curriculum; demonstrate demand by students and employers; and fill a gap in options available for students because it is not offered by a public four-year institution of higher education in the college's geographic area. Currently, community and technical colleges offer thirteen applied bachelors' degrees at eight colleges.

OSPI's statewide director for math, science, and technology must collaborate with community and technical colleges and four-year institutions of higher education in conducting outreach efforts to attract middle and high school students to careers in math, science, and technology and to educate students about the coursework that is necessary to be prepared to succeed in these fields.

2SSB 5624 directs OSPI's statewide director for math, science, and technology to work with SBCTC to develop high-demand applied baccalaureate programs that align with high-quality secondary science, technology, engineering, and math (STEM) programs and career and technical education (CTE) programs, subject to available funding.

Subject to the availability of amounts appropriated for this specific purpose and in addition to other applied baccalaureate degree programs, pursuant to state law on applied baccalaureates, SBCTC must select colleges

to develop and offer two programs that support the continuation of high-quality STEM or CTE programs offered to students in kindergarten through grade 12 who are prepared and aspire to continue in these high-demand areas in college and the workforce. The final 2013–15 Operating Budget (3ESSB 5034) provides one-time funding of \$500,000 for this purpose.

2ESB 5701—Educator tests

(Senator Brown)

C163 L13

Currently, certificated school employees may have their certificate or permit revoked or suspended upon a criminal records request report authorized by law, or upon the complaint of any school district superintendent, Educational Service District superintendent, or private school administrator for immorality, a violation of written contract, unprofessional conduct, intemperance, or a crime against the law of the state. School district superintendents, Educational Service District superintendents, or private school administrators may file a complaint concerning a certificated employee containing a written complaint with the grounds and factual basis upon which they believe an investigation is warranted by OSPI.

2ESB 5701 adds the Professional Educator Standards Board (PESB) to the list of persons or organizations that may make a complaint to OSPI that could lead to the suspension or revocation of a certificated school employee's certificate or permit, or a reprimand.

Any certificated school employee may have their permit or certificate revoked or suspended based upon a complaint from PESB alleging unprofessional conduct in the form of a fraudulent submission of a test for educators, or they may alternatively be reprimanded. PESB must issue a written complaint to OSPI alleging the grounds and factual basis upon which PESB believes an investigation should be conducted. Any certificated school employee whose certificate is in question based on PESB's allegation must have the right to be heard and appeal.

The bill also adds “reprimand” as a remedy PESB, OSPI, and OSPI’s Office of Professional Practice may pursue when investigating certificated school employees for submitting fraudulent test scores.

ESSB 5709—Densified biomass pilot

(Senator Smith)

C308 L13

Densified biomass is a solid biofuel pellet made of compressed sawdust and chipped wood that has a consistent quality, low moisture content, high energy density, and homogenous size and shape. Densification increases the energy density of biomass by approximately 10 to 15 percent, so more heat is produced per unit of pellets burned than if the same amount of raw wood was burned.

In 2012, Washington State University was required to study densified biomass as a renewable fuel for heating homes, businesses, and other facilities in the state. An early report in December 2012 cited several opportunities for densified biomass fuel, such as environmental advantages over traditional fossil fuels, restoring healthy forests after pine beetle destruction, reducing the volumes of landfills, providing a less expensive alternative to heating homes in remote areas, and providing a valuable export commodity.

ESSB 5709 requires WSU, by December 1, 2013, to develop and initiate a pilot program to demonstrate the feasibility of using densified biomass to heat public schools—subject to receiving federal and private funds for this purpose. The pilot program must replace the current heating systems in two public schools with heating systems that use densified biomass as a fuel. One school must be in western Washington and the other school must be in an eastern Washington county that shares an international border or that borders the state of Idaho. WSU must measure and evaluate the heating systems, including a cost comparison with other conventional fuels and emission measurements.

When choosing one of the schools for the pilot program, WSU must use the following criteria:

1. the school’s proximity to a currently operating densified biomass manufacturing facility;
2. the age and condition of the school’s current heating system; and
3. the school’s design is of a nature that most resembles other schools of its class.

OSPI is required to notify all school districts about the pilot project and their opportunity to participate.

SSB 5804—Federal receipts reporting

(Senator Baumgartner)

C32 L13 E2

SSB 5804 is intended to ensure that various state agencies which receive and expend federal funds are prepared to deal with potentially significant negative budget impacts due to federal sequestration and other reductions.

Under provisions of the bill, the Department of Social and Health Services, the Department of Health, the Health Care Authority, the Department of Commerce, the Department of Ecology, the Department of Fish and Wildlife, the Department of Early Learning, and OSPI are required to prepare a biennial report on the amount of federal funds received and expended by the agency, and the percentage that the federal funds represents of the overall agency budget. These agencies must also develop contingency plans that reflect both a 5 percent and a 25 percent reduction in federal funding. The report must be submitted as part of the agencies’ biennial budget request documents.

SB 5904—Early learning

(Senator Hill)

C16 L13 E2

The Early Childhood Education and Assistance Program (ECEAP) is a comprehensive preschool program that provides free services and support to children ages three and four, and families whose income is under 110 percent of the federal poverty level. ECEAP includes early learning preschool, family support, and child health coordination and nutrition.

In 2010, legislation was adopted (2SHB 2731) which established an early learning program for low-income and at-risk children ages three and four. It required the use of ECEAP as a starting point in 2011–12 school year, in terms of the number of funded slots and program standards. The legislation also called for the phased implementation of an expanded program. Beginning in the 2018–19 biennium, the program is required to be implemented statewide and serve any eligible child entitled to enroll.

SB 5904 continues the phased in expansion of early learning. During the 2013–15 biennium, the Department of Early Learning (DEL) must increase ECEAP slots by 10 percent from 2011–13 levels and rates paid for these slots must also be increased by 10 percent from the 2011–13 levels. These increases are subject to amounts appropriated specifically for this purpose. DEL must coordinate with the Office of Financial Management to develop an implementation plan for expanding the early learning program. The required plan is due to the Legislature by September 30, 2013.

The bill also requires the Washington State Institute for Public Policy (WSIPP) to conduct a comprehensive retrospective outcome evaluation for ECEAP. This evaluation must assess short-term and long-term outcomes for the program. WSIPP must also review relevant research on components of successful early education program strategies. A report is due to the Legislature by December 15, 2014.

The final Operating Budget (3ESSB 5034) provides \$22.4 million to increase ECEAP slots by 20 percent and reimbursement rates by 10 percent by the end of the 2013–15 biennium. ECEAP slots will increase by 350 slots in FY 2014 and 1,350 slots in FY 2015, while increasing the average reimbursement from \$6,800 to \$7,500, in the second year. Funding is also provided for the required WSIPP evaluation of the ECEAP program. DEL is also provided with additional staffing to enhance oversight of the program.

ESSB 5946—Improving student outcomes

(Senator Dammeier)

C18 L13 E2

This omnibus education “reform” bill combines a series of previously introduced legislation into one comprehensive package.

Part I: Reading and Early Literacy

OSPI is required to assist school districts to support reading and early literacy and if funds are appropriated, must deliver professional development in reading instruction for kindergarten through fourth grade teachers. School districts are responsible for providing a comprehensive system of instruction and services in early literacy for K–4 students, including use of screening and diagnostic assessments and research-based family involvement strategies.

Report cards for K–4 students must include information on whether the student is reading at grade level. The teacher, with support of other school personnel as appropriate, must explain to the parent or guardian which interventions will be used to help improve the student’s reading skills. A statewide report using disaggregated student data must be developed annually on the reading levels of K–4 students and submitted to the Legislature the Educational Opportunity Gap Oversight and Accountability Committee.

Beginning in the 2014–15 school year, for any student who scores at a Level I (Below Basic) on the third grade English Language Arts assessment:

- A meeting must be scheduled before the end of the school year with the student’s parent or guardian to discuss appropriate grade placement and intensive improvement strategies.
- For students to be placed in fourth grade, the discussion must include an intensive improvement strategy that includes a summer program or other option identified as appropriately meeting the student’s need to prepare for fourth grade.

- The student's parent or guardian must be fully informed and their consent must be obtained for the grade placement and improvement strategy, which must then be implemented by the district.

Students in special education are exempt from these policies because communication with parents and improvement strategies are based on the student's individualized education program (IEP). English language learner students are also exempt unless they have been enrolled in the Transitional Bilingual Instruction Program for three school years.

Beginning in the 2015–16 school year, school districts must implement an intensive reading improvement strategy from a state menu of best practices or an approved alternative for students scoring at Level I or Level II (Basic) on the third grade ELA assessment in the previous year. This policy does not apply to students in special education where the reading improvement strategy is based on the student's IEP.

In addition, school districts must implement a strategy from the state menu or an approved alternative for all K–4 students in any school where more than 40 percent of students scored at Level I or Level II on the third grade ELA in the previous year.

OSPI is required to convene a panel of experts that includes the Washington State Institute for Public Policy to develop the state menu, which must also include strategies for English language acquisition and system improvements to improve reading instruction for all students. The menu must be published by July 1, 2014, and be updated annually. A school district may use an alternative strategy that is not on the menu for two years. A district that demonstrates improvement in outcomes equivalent to the strategies on the menu may continue using the alternative, subject to annual renewal by OSPI.

Provisions similar to Part I were originally introduced in SB 5237; however, a key component of that bill was the mandatory retention of third graders who scored Below Basic (Level I) on the state's ELA assessment.

Part II: Learning Assistance Program

The purpose of the Learning Assistance Program (LAP) is expanded to include reducing disruptive behaviors in the classroom as well as assisting underachieving students. School districts are required to focus first on addressing the needs of K–4 students who are deficient in reading or reading readiness skills. Employment of Parent and Family Engagement Coordinators is an authorized use of LAP funds. LAP funds may also be used for Readiness to Learn activities (Note: the final budget eliminates funding for Readiness to Learn and transfers those funds to LAP).

The requirement for school districts to submit LAP plans for OSPI approval is repealed. Instead, districts are required, beginning in the 2014–15 school year, to record annual entrance and exit performance data for LAP students in CEDARs. Districts must also submit an annual report documenting academic growth for LAP students and specific practices and activities in each building supported by LAP funds. OSPI must compile the district data and report annual and longitudinal performance gains, disaggregated by student subgroup and by instructional practice or activity. OSPI must also monitor the effectiveness of district LAP practices and offer technical assistance.

In addition to the state menu for reading improvement strategies, OSPI must convene a panel of experts that includes the Washington State Institute for Public Policy to develop menus of best practices for other interventions and support provided through the LAP. The state menus must be published by July 1, 2015, and be updated annually. Beginning in the 2016–17 school year school districts may use a strategy for other LAP support that is not on the menu for two years. A district that demonstrates improvement in outcomes equivalent to the strategies on the menu may continue using the alternative, subject to annual renewal by OSPI. School districts are encouraged to use the best practices menus before they are required.

Provisions similar to Part II were originally introduced in SB 5330.

Part III: Student Discipline

OSPI is required to convene a Discipline Task Force to develop standard definitions for causes of student discipline and data collection standards for disciplinary actions taken at the discretion of the school district. The standards must include data about educational services provided while a student is subject to a disciplinary action. OSPI must revise the statewide student data system to incorporate the standards recommended by Task Force and begin collecting data through the CEDARS beginning in the 2015–16 school year. In addition, school districts must collect specified disaggregated and cross-tabulated data for nine categories of student behavior and seven categories of interventions, as well as the number of days of suspension or expulsion. This data must be made available on the OSPI website.

Suspensions or expulsions may not last for an indefinite period of time. Emergency expulsions must end or be converted to another form of corrective action within ten school days from removal from school. Notice and due process rights must be provided when an emergency expulsion is converted to another form of corrective action.

Any suspension or expulsion from school that lasts more than ten days must have an end date no later than one calendar year from the time of the suspension or expulsion. A school may petition the superintendent of the school district based on public health or safety to exceed the calendar year limitation on suspensions and expulsions. OSPI must adopt policies and procedures outlining the limited circumstances for exceeding the limitation, including safeguards that every effort has been made to plan for the student's return to school.

Schools should make efforts to allow students who have been suspended or expelled to return to an educational setting as soon as possible and convene a school reentry meeting with the student and student's parents within 20 days of the long-term suspension or expulsion. School districts are required to create a reengagement plan tailored to the student's individual circumstances, including consideration of the incident that led to the long-term

suspension or expulsion. Reentry meetings are not intended to replace a petition for readmission.

Provisions similar to Part III were originally introduced in SB 5244 and later SB 5901.

Part IV: Support for Educators

ESSB 5946 establishes the Educator Support Program (ESP) with two components: The Beginning Educator Support Team (BEST) and continuous improvement coaching. If funds are appropriated, OSPI must allocate funds for BEST on a competitive basis, with a priority given to low-performing schools. Required components of BEST are specified in the bill. Statutes pertaining to the current Teacher Assistance Program are repealed. Subject to a separate specific appropriation, BEST components may be provided for continuous improvement coaching of educators on probation due to performance issues.

Provisions similar to Part IV were originally introduced in SB 5330.

Part V: Alternative Learning Experience Programs

The bill replaces current descriptions and references to three types of Alternative Learning Experience (ALE) programs with definitions of three types of ALE courses (or grade-level coursework for elementary grades):

1. A site-based course is one where a student has in-person instructional contact for at least 20 percent of the total weekly time for the course.
2. A remote course is one where a student has in-person instructional contact for less than 20 percent of the total weekly time for the course, but is not an online course. There is no minimum in-person contact requirement for remote courses.
3. An online course has the same definition as current law, with the additional stipulation that a certificated teacher has the primary responsibility for the student's instructional interaction.

Instructional contact must be with a certificated teacher for the purpose of teaching, review of assignments, testing, evaluation, or other learning activities identified in the student's learning plan. Instructional contact may occur

in a group setting and may be delivered either in-person or remotely using technology. In-person contact means face-to-face instructional contact in a physical classroom environment.

OSPI rules regarding weekly contact must reduce documentation requirements, particularly for students making satisfactory academic progress, and be tailored to the different aspects of the types of courses. High school ALE courses must meet district or state graduation requirements and be offered for credit. Beginning with the 2013–14 school year, school districts must denote the type of ALE course in the statewide student information system. From 2013–14 through 2016–17 school districts must pay costs associated with a biennial measure of student outcomes and financial audit of ALE courses conducted by the State Auditor’s Office.

Online programs may seek a waiver from OSPI to administer the state assessments for grades three through eight on alternate days or an alternate schedule within the established testing period. The request may be denied if the proposal does not maintain adequate test security or would reduce the reliability of results by providing an inequitable advantage for some students.

Current statutes pertaining to ALE courses are placed in a new RCW Title, and a section of law pertaining only to online programs that duplicates other laws and rules is repealed.

Beginning with the 2013–14 school year, OSPI must allocate funding for ALE courses based on the statewide annual average allocation for a high school student in general education, excluding any small high school enhancements. A resident district must release a student wishing to enroll in another school district if the purpose is to enroll in an online learning program. OSPI must develop a standard form to be used by all districts when releasing students to enroll in online learning programs. OSPI must adopt rules establishing procedures for how the counting of students must be coordinated by resident and nonresident districts so that no student counts for more than one FTE.

A nonresident district may deny the transfer of a student who has repeatedly failed to comply with requirements for participation in an online learning program. A school district offering an ALE course to a nonresident student must inform the resident district if a student drops out or is no longer enrolled.

Provisions similar to Part V were originally introduced in SB 5794.

The original version of the ESSB 5946 also included a focus on professional development and would have required the Washington State School Directors’ Association to provide training for first-time school directors and first-time superintendents. This was removed prior to final adoption. Language was also included which would have prohibited school districts from providing additional compensation, beyond an inflationary factor, to teachers unless the compensation was explicitly tied to professional development. This TRII “cap” (similar to provisions introduced in SB 5330 and SB 5901) was removed prior to final adoption.

The final 2013–15 Operating Budget (3ESSB 5034) provides \$4.4 million to implement this bill. An additional \$85,000 is provided to the Washington State Institute for Public Policy to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the Learning Assistance Program.

Education-Related Bills That Died

HB 1015—State assessment requirements

(Representative McCoy)

Would have eliminated student assessments not mandated by federal law and would have eliminated passage of high school assessments as a graduation requirement.

HB 1019—Public records requestors

(Representative Haler)

Would have required persons making record requests to identify themselves.

HB 1020—Community protection zones

(Representative Haler)

Would have amended current law to specify that level III sex offenders may not reside in a community protection zone—defined as the area within eight hundred eighty feet of the facilities and grounds of a public or private school.

HB 1023—Apprenticeship utilization

(Representative Moeller)

and SB 5393

(Senator Keiser)

Would have extended the requirement that at least fifteen percent of the labor hours on a public works project of one million dollars or more must be performed by apprentices to projects that are subsidized by the public.

HB 1026—Public works labor

(Representative Moeller)

and SB 5394

(Senator Hasagawa)

Would have required every public works contract to contain a provision specifying that at least seventy-five percent of the labor hours be performed by Washington residents, except in certain situations.

HB 1037—Public records cost recovery

(Representative Moeller)

Would have allowed agencies and local governments to charge a fee to recover the actual cost of providing a public record, where the request is for the purpose of sale or resale of the record or a document or database containing the record.

HB 1050—Public facility naming

(Representative Angel)

Would have authorized publicly-funded agencies of state and local government to sell naming rights to agency-owned facilities.

HB 1054—Public school equipment

(Representative Angel)

and SB 5581

(Senator Delvin)

Would have allowed school districts to request the currently required one-half of one percent of construction funds be allocated to the acquisition of instruction-related equipment and technology systems, rather than for the acquisition of art.

HB 1067—Teacher evaluation support

(Representative Lytton, by request of Governor Gregoire)

and SB 5038

(Senator McAuliffe, by request of Governor Gregoire)

Would have enhanced the basic education allocation formula for principals, assistant principals, and other certificated building-level administrators to support teacher evaluation program requirements.

HB 1077, HB 1689 and HB 1691—School board vacancies

(Representative Haigh)

Would have authorized ESDs to fill vacancies on the board of directors in second-class school districts with an at-large

appointment if after one hundred twenty days a candidate from the director district cannot be recruited.

HB 1094—State-federal agreements

(Representative Shea)

Would have required state agencies to provide detailed annual reports to the Legislature regarding agreements between the agency and the federal government.

HB 1128—Public records

(Representative Takko)

Would have: authorized court injunctions to be issued against public records requests under specific circumstances; and allowed agencies to adopt a policy limiting the number of hours they devote to responding to public records requests.

HB 1167—Growth Management Act

(Representative Taylor)

Would have repealed current growth management planning requirements.

HB 1173—Financial education

(Representative Santos)

and SB 5483

(Senator Hobbs)

Would have modified the duties and the composition of the Financial Education Public-Private Partnership. Would have also required OSPI to make financial education curriculum available to school districts, and would have required school districts to provide courses with this curriculum.

HB 1174—Basic education funding

(Representative Dahlquist)

Would have required the Legislature to fund K–12 education “first, fully and separately,” before any other state programs or operations. Also, would have reprioritized the phase-in schedule for basic education enhancements adopted in SHB 2776 (2010).

HB 1177—Education accountability

(Representative Lytton)

Would have modified the education accountability system, allowing state criteria, resources, and strategies to be used for assistance and intervention.

HB 1197—Open public meetings

(Representative Pollet)

Would have required the governing body of a public entity, including school boards, to: allow for public comment on any action prior to its adoption; and make materials related to governing body actions available to the public at least twenty-four hours in advance of the meeting.

HB 1198—OPMA/PRA training

(Representative Pollet)

Would have required members of governing bodies of public and local agencies, elected officials and public records officers to complete regular training on the Open Public Meeting Act and the Public Records Act.

HB 1208—Digital College in High School

(Representative Reykdal)

Would have established a Digital College in the High School pilot project.

HB 1248—Music education

(Representative Maxwell)

and SB 5451

(Senator Shin)

Would have established a “Music Does Matter” grant program to support music education for young children.

HB 1252—Online professional development

(Representative Stonier)

Would have made online professional development modules for K–12 teachers and principals available on demand and at no cost to any educator.

HB 1255—Prevailing wage

(Representative Manweller)

Would have exempted school plant facilities that receive state funding assistance through the School Construction Assistance Grant Program from prevailing wage requirements.

HB 1276—Dropout prevention

(Representative Reykdal)

Would have created the Dropout Prevention through Farm Engagement Pilot Project. While this bill failed to be adopted, the final budget includes funding for a similar purpose.

HB 1283—School attendance age

(Representative Maxwell)

Would have lowered the age of compulsory school attendance from eight to six years of age.

HB 1293—Assessment disclosure

(Representative Hope)

and SB 5366

(Senator Rolfes)

Would have required school districts to notify parents or guardians of K–12 students with information regarding required assessments to be conducted during the current school year. While this bill failed to pass, similar requirements were adopted in EHB 1450.

HB 1298—Sunshine Committee recommendations

(Representative Springer, by request of Public Records Exemptions Accountability Committee)

and SB 5169

(Senator Roach, by request of Public Records Exemptions Accountability Committee)

Would have implemented recommendations of the Public Records Exemptions Accountability Committee (or Sunshine Committee). Included was a recommendation to specifically declare applications for certain public

employment (including school superintendents) are not exempt records.

HB 1329—Sales tax holiday

(Representative Moeller)

and SB 5529

(Senator Rivers)

Would have suspended the sales tax on certain days in August for the purchase of back-to-school clothing and supplies.

HB 1369—Parent-teacher meetings

(Representative Lytton, by request of Superintendent of Public Instruction)

Would have authorized schools administering the Washington Kindergarten Inventory of Developing Skills (WaKIDS) to use up to five school days at the start of the year for conducting parent-student-teacher meetings. While this bill failed to pass, 2SHB 1723 allows the use of up to three school days at the beginning of the year to meet with parents and families.

HB 1405—Informal STEM education

(Representative Liias)

and SB 5146

(Senator Frockt)

Would have created a competitive grant program to assist nonprofit organizations to acquire, construct or rehabilitate, science or technology centers, zoos, and aquarium facilities. Qualifying organizations would have been required to provide school programs that meet the state's Essential Academic Learning Requirements.

HB 1413—Voting Rights Act

(Representative Moscoso)

and SB 5473

(Senator Nelson)

Would have created a state-level Voting Rights Act, to promote equal voting opportunity in certain political subdivisions by authorizing district-based elections,

requiring redistricting and new elections in certain circumstances, and establishing a cause of action to redress lack of voter opportunity.

HB 1418—Public records inspection

(Representative Hunt)

Would have modified current law to require that offices of cities, towns, and special purpose districts that do not normally keep office hours of at least thirty hours per week must publicly post directions on how to contact agency personnel to inspect or copy public records.

HB 1423—Online learning

(Representative Haigh)

and SB 5667

(Senator Litzow)

Would have modified current law to combine and rectify two current sets of laws, one through OSPI and one through Alternative Learning Experience programs, governing online learning for schools.

HB 1424—Dropout prevention

(Representative Haigh)

Would have modified current law to: clarify definitions pertaining to the statewide dropout prevention, intervention and reengagement system; provide specific additional support for some of the highest need students; and build ongoing regional capacity to assist local schools and communities in designing and delivering services.

HB 1457—Family and medical leave

(Representative Green)

and SB 5292

(Senator Keiser)

Would have allowed workers to care for family members with a serious health condition or to recover from their own serious health condition. To ensure adequate funding, all employers (including public employers) would have been required to pay a premium to the Employment Security Department.

HB 1475—School district flexibility

(Representative Magendanz)

Would have provided a process for school district boards of directors to waive certain state education requirements when the local board determines it is necessary to do so.

HB 1477—Truancy provisions

(Representative Magendanz)

Would have given discretion to school districts in filing petitions for multiple unexcused absences.

HB 1492—180-day school year waivers

(Representative Klippert)

Would have removed current limitations on economy and efficiency waivers of the 180-day school year requirement.

HB 1505—School construction funding

(Representative Pedersen)

and SB 5642

(Senator Frockt)

Would have increased from twenty to thirty the minimum state funding assistance percentage provided to projects eligible under the School Construction Assistance Grant Program.

HB 1526—Running Start enrollment

(Representative Orwall)

Would have created a pilot project to provide coordination between middle schools, high schools, and Running Start college programs to help address the existing opportunity gap for poor and minority students.

HB 1560—Quality Education Council

(Representative Maxwell)

Would have implemented a series of recommendations from the 2011 and 2013 reports of the Quality Education Council.

HB 1562—Teacher professional development

(Representative Lytton)

Would have required—and provided—funding for two professional development days per school year for K–12 teachers for the purpose of training and understanding the new teacher evaluation system.

HB 1640—Assignment of staff

(Representative Pettigrew)

Would have required each school district board of directors of a school district with an enrollment of ten thousand or more students to adopt a policy on assignment of certificated instructional staff.

HB 1650—Career education

(Representative McCoy)

and SB 5818

(Senator Rivers)

Would have required school districts to use additional instructional hours for secondary students, when implemented, to provide career exploration and other activities intended to engage students in preparing for their future. Additionally, OSPI would have been required to develop a template for the High School and Beyond Plan to help students design a program of study for their high school education.

HB 1656—Graduation requirements

(Representative Stonier)

Would have specified 22 credits as a minimum state requirement for high school graduation and permitted increased flexibility for students to select courses based on their own interests and plans.

HB 1664—School nurses

(Representative Liias)

Would have clarified that school nurses may only be supervised by non-nurses with respect to matters other than the practice of nursing.

HB 1680—Educational opportunity gap

(Representative Santos)

Would have adopted the six recommendations of the Educational Opportunity Gap Oversight and Accountability Committee, including: the development of data standards for student disciplinary actions; the inclusion of cultural competence into training for all school staff; and requiring Bilingual Education endorsements for teachers assigned to the Transitional Bilingual Instructional Program.

HB 1692—Career and college ready

(Representative Sullivan)

and SB 5837

(Senator Frockt)

Would have authorized and funded the implementation of basic education enhancements called for in ESHB 2261 (2009), including: an increase in instructional hours; the implementation of the 24-credit graduation requirement; an increase in guidance counselors and family engagement coordinators; an increase in funding allocations for students in the Transitional Bilingual Instructional Program; and increases in the funding allocations for the Learning Assistance Program. Many these pieces were ultimately adopted in the final 2013–15 Operating Budget (3ESSB 5034).

HB 1698—School speed zone signs

(Representative Hunt)

Would have required the installation and maintenance of signs indicating the end of a school zone on any street upon which the beginning of such a zone is also marked.

HB 1709—Foreign language interpreters

(Representative Dahlquist)

Would have directed the Office of the Education Ombudsman to conduct a feasibility study for development of a state foreign language education interpreter training program designed to create a pool of trained volunteer interpreters for public schools.

HB 1714—Open Public Meetings Act

(Representative Pollett, by request of State Auditor)

Would have authorized a public agency governing body to record its closed executive session meetings and would have exempted those recordings from disclosure except in certain cases. A court would have been authorized to order a public agency that intentionally violated the Open Public Meetings Act to record executive sessions.

HB 1735—Student transition services

(Representative Reykdal)

and SB 5671 and SB 5706

(Senator McAuliffe)

Would have directed OSPI to establish interagency agreements with the Department of Social and Health Services, the Department of Services for the Blind, and any other state agency that provides high school transition services for students with disabilities, in order to foster effective multiagency collaboration to provide transition services for students with disabilities.

HB 1763—Public records inspection

(Representative Klippert)

Would have exempted special purpose districts which do not have office hours of at least thirty hours a week from a requirement that public records be available for inspection at least thirty hours per week.

HB 1788—School employee firearms

(Representative Pike)

Would have authorized permanent employees of a school district to possess firearms on school grounds under certain conditions. Employees would have been exempted from liability for damage resulting from their response to a security incident.

HB 1815—Language interpreters

(Representative Moscoso)

Would have required school districts to adopt a Language Access policy that requires the use of adult language interpreters, not students, for school meetings.

HB 1848—School siting

(Representative Springer)

Would have authorized counties to permit schools outside of designated urban growth areas when certain criteria have been met.

HB 1850—Administrative leave

(Representative Klippert)

Would have required school districts to immediately place an employee on compulsory administrative leave: upon verifying that an employee's certificate or permit is subject to revocation; upon a guilty plea or conviction of certain felonies; and if a judge finds there is probable cause for the charge.

HB 1851—Employee discharge

(Representative Klippert)

Would have prohibited school districts from continuing to compensate an employee when they receive notice of probable cause for discharge. If the employee requested a hearing, the district would have been required to deposit the employee's pay into an interest bearing trust account until a final decision.

HB 1852—Before- and after-school programs

(Representative Kagi)

Would have required the Building Code Council to adopt rules allowing children who attend classes in a school building during school hours to remain in the same building to participate in before- or after-school programs.

HB 1900—K–12 caseload forecasts

(Representative Stonier)

Would have required the Caseload Forecast Council to forecast entitlement caseloads for the common school system by individual school district and in total statewide.

HB 1908—Firearms on school property

(Representative Scott)

Would have modified current law in order to bring Washington's gun-free school zone laws into closer conformity with the federal Gun-free School Zones Act.

HB 2034—Education funding

(Representative Ormsby)

and HB 2036

(Representative Carlyle)

Would have narrowed or eliminated a series of tax exemptions in order to support basic education and higher education programs.

HB 2038—Education funding

(Representative Carlyle)

Would have narrowed or eliminated a series of tax exemptions, extended the temporary (and expiring) beer tax, and extended the temporary (and expiring) business and occupation tax surcharge in order to support basic education and higher education programs.

SB 5018—Art purchases

(Senator Benton)

Would have eliminated the requirement to purchase public art with appropriations made for construction of public buildings.

SB 5026—Peer mentoring

(Senator Hasegawa)

Would have created a peer mentoring program to encourage elementary school students to finish high school and attend college.

SB 5039—Basic education revenues

(Senator McAuliffe, by request of Governor Gregoire)

and HB 1122

(Representative Carlyle, by request of Governor Gregoire)

Would have provided a funding source for basic education enhancements by: extending the temporary tax on beer; extending the temporary B&O tax surcharge on certain businesses; and implementing a new excise tax on fuel distributors.

SB 5094—Sex offender notification

(Senator Pearson)

Would have increased the information that the sheriff must provide to schools or universities before a sex offender starts attending to include the sentence the offender received when convicted. Schools or colleges would have been required to notify certain staff, students, and parents upon learning that a sex offender plans to enroll.

SB 5117—Parent Involvement Coordinators

(Senator McAuliffe)

Would have replaced Parent Involvement Coordinators with Family Involvement Coordinators in public schools and provided a funding allocation.

SB 5132—Debt service

(Senator Honeyford)

Would have required the State Treasurer to estimate General Fund debt service costs, which would have been itemized in capital appropriation bills.

SB 5138—State debt

(Senator Parlette, by request of State Treasurer)

and HB 1646

(Representative Stanford, by request of State Treasurer)

Would have created a State Debt Council to make recommendations on state debt, including prudent levels and types of debt in order to protect the state's credit rating, maintain access to the credit markets and to reserve future flexibility.

SB 5155—Suspensions and expulsions

(Senator McAuliffe)

Would have required schools to create a plan to provide academic services for students subject to a long-term suspension or expulsion. Would have also required a plan to be created for those students' re-entry into school.

SB 5172—Students with disabilities

(Senator Tom)

Would have required the Washington Interscholastic Activities Association to provide a waiver that allows a student with a physical or mental disability, or both, to participate in extracurricular high school activities for the duration of his or her enrollment in high school.

SB 5173—Excused school absences

(Senator Hasegawa)

and HB 1744

(Representative Moscoso)

Would have permitted students to be excused from school for reasons of faith or conscience for up to two days without any penalty.

SB 5237—Third grade reading

(Senator Dammeier)

and HB 1452

(Representative Dahlquist)

Would have prohibited students who scored below basic on the state's third grade English Language Arts (ELA) assessment from being promoted to fourth grade unless the student met a good cause exemption. Additionally, school districts would have been required to provide intensive remediation for any student who did not meet the state standard on the state's third grade ELA assessment.

SB 5242—Mutual consent

(Senator Litzow)

Would have required principals and staff to mutually agree to a staffing assignment and would have required staff

unable to find an assignment with mutual agreement to be placed in a temporary position. If they failed to find a non-temporary assignment with mutual consent by the May 15 nonrenewal date, the district would have been allowed to initiate notice of nonrenewal of the contract.

SB 5244—Suspensions and expulsions

(Senator Litzow)

Would have: prohibited student suspensions or expulsions for an indefinite period of time; required emergency expulsions to end or be converted into another form of corrective action within ten school days; and required school districts to make reasonable efforts to assist students and parents in returning suspended/expelled students to an educational setting prior to and no later than the end date of the corrective action.

SB 5245—Student suspension data

(Senator Litzow)

Would have required school districts to collect, disaggregate, cross-tabulate, and report student discipline data. OSPI would have been required to review the data for accuracy and make the information publicly available.

SB 5246—Teacher/Principal Evaluation Project

(Senator Litzow)

Would have required that student growth data be weighted such that it consists of fifty percent of the cumulative performance of certificated classroom teachers for at least three of teachers' evaluation criteria. Additionally, would have prohibited human resource or personnel decisions regarding teachers and principals from weighting seniority at more than ten percent after other factors are considered.

SB 5278—Teacher salary bonus

(Senator Carrell)

Would have required school districts to receive state allocations sufficient to fund a salary bonus equivalent to ten percent of base pay for certificated instructional staff who teach in high demand areas of math, science, and

special education. To be eligible for the bonus, teachers would have had to be deemed an “expert.”

SB 5301—Suspensions and expulsions

(Senator Rolfes)

Would have combined major provisions of SB 5155, SB 5244, and SB 5245 (described above) into one comprehensive bill. Would have also required OSPI and the Washington State School Directors’ Association to meet with various stakeholders and develop a handbook and model policy for suspension and expulsion changes.

SB 5314—Essential public facilities

(Senator Becker)

Would have specifically included public schools in the list of essential public facilities that must be identified and sited in any city or county’s comprehensive growth management plan.

SB 5328—School grading system

(Senator Litzow)

and HB 1476

(Representative Dahlquist)

Would have required the State Board of Education to use the accountability index to identify schools using a letter grade, A through F.

SB 5330—Improving student outcomes

(Senator Hargrove)

This comprehensive education “reform” bill would have: eliminated the requirement that all-day kindergarten be implemented statewide; restricted Learning Assistance Program funding to programs that are “research-proven;” provided for the creation of a new career continuum statewide salary allocation schedule for instructional staff; eliminated “TRII” (Time, Responsibilities, Incentives, Innovations) supplemental contracts; changed required class size reduction from K–3 to K–2 only; provided funding values in the prototypical funding model for parent involvement coordinators; implemented a teacher mentor

program; enhanced the Transitional Bilingual Instructional Program; and specified that districts with the highest truancy rates receive priority for certain grants.

While this bill failed to pass several of its components were adopted in other legislation (including ESSB 5946) and/or were funded in the final 2013–15 Operating Budget (3ESSB 5034).

SB 5445—Capital Budget

(Senator Honeyford)

Introduced as an “early action” Capital Budget, this bill would have appropriated a total of \$544 million, with \$475 million appropriated to the School Construction Assistance Grant Program and \$10 million to fund a school security grant program (as adopted and described in 2SSB 5197).

SB 5477—Applied diplomas

(Senator Roach)

Would have directed the State Board of Education to create two high school diplomas: a standard diploma and an applied diploma. In order to earn an applied diploma, a student would have had to meet other requirements of the standard diploma, except: the student would not have been required to take or pass the statewide high school assessments; and the student would have been able to choose to earn four credits of technology, arts, or an apprenticeship instead of meeting the credit requirements for English and mathematics.

SB 5497—Assault of school employees

(Senator Fain)

Would have expanded the definition of assault in the third degree to include situations in which a person assaults a school employee including, but not limited to the following: teacher, instructor, administrator, staff person, teacher aide and paraprofessional, food service worker, and other clerical, custodial, or maintenance personnel employed by a school district.

SB 5501—School district requirements

(Senator Hobbs)

Would have: eliminated the requirement that students complete a culminating project under certain conditions; eliminated currently required elements of a school district's plan for using Learning Assistance Program funds; and limited the State Auditor to conducting school district fiscal and performance audits no more than once every three years under most circumstances.

SB 5506—Safe routes to school

(Senator Billig)

Would have dedicated at least \$10.4 million of federal transportation funds to the Safe Routes to School program each biennium. Additionally, at least \$6.8 million of the Highway Safety Fund would have been dedicated to the Safe Routes to School program each biennium.

SB 5508—Prevailing wage

(Senator Hatfield)

Would have exempted rural school district public works and public maintenance contracts from current prevailing wage requirements.

SB 5557—Human Rights

(Senator Chase)

Would have encouraged school districts to implement a program at least once a year to educate students on the content and importance of the United Nation's Universal Declaration of Human Rights.

SB 5570—Basic education funding

(Senator McAuliffe)

and HB 1673

(Representative Liias)

Would have established school funding and staff allotment levels for the prototypical school funding model based on the recommendations of the Quality Education Council.

SB 5571—Mental illness

(Senator McAuliffe)

Would have directed OSPI, the Department of Social and Health Services, the Department of Health, and the regional support networks to develop and conduct an ongoing public awareness and education campaign about mental health and mental illness in both adults and children.

SB 5573—Basic education funding

(Senator Rolfes)

Would have implemented the first biennium spending plan recommendations of the Joint Task Force on Education Funding and established a linear phase-in plan for educational enhancements. This bill would have positively addressed a significant portion of the Supreme Court's December 2012 Orders in the *McCleary* school funding case.

SB 5588—School day definition

(Senator Litzow)

Would have defined a school day as having a minimum of six instructional hours. School districts would have been prohibited from implementing late start, early release or partial school day schedules resulting in days with less than six instructional hours.

SB 5618—Warrantless searches

(Senator Carrell)

Would have added school resource officers and local police school liaison officers as persons who may search students and student's possessions, containers, and lockers if they have reasonable grounds to suspect evidence of a violation of school rules or laws.

SB 5638—Fiscal impacts

(Senator Harper)

Would have required fiscal notes dealing with corrections, child welfare, and mental health issues to include an estimate of the fiscal impact of expenditure reductions or increases on other state or local program expenditures

as well as any return on investment as a result of the legislation. The Office of Financial Management and the Washington State Institute for Public Policy would have been required to convene a work group to explore the establishment of a nonpartisan agency to conduct objective, impartial fiscal analysis on behalf of the Legislature.

SB 5640—Fiscal notes

(Senator Bailey)

Would have required a fiscal note to be available before any bill that would increase local or state government expenditures or revenues could be moved to final passage in either house.

SB 5649—Collaborative schools

(Senator Rolfes)

Would have expanded the use of the current collaborative schools process for Required Action Districts, implementing a second phase of the accountability system for non-Title I schools that continue to struggle to improve student academic achievement.

SB 5660—Firearms safety

(Senator Chase)

Would have directed OSPI to develop a program of instruction for firearms accident prevention for school districts to use with students in kindergarten through grade twelve.

SB 5684—Prevailing wage

(Senator King)

Would have limited the prevailing wage requirement for public works projects to only those employees working in construction activities.

SB 5738—Education funding

(Senator Murray)

Would have implemented a new capital gains tax to provide a “stable, ongoing source of funding” to support education

(early learning, K–12, and higher education) funding enhancements. The bill would have also extended the temporary (and expiring) beer tax as a funding source for education purposes.

SB 5743—School bus safety cameras

(Senator Hobbs)

Would have expanded the allowable uses of revenue collected from infractions detected through the use of automated school bus safety cameras to include school bus safety projects.

SB 5753—Education flexibility

(Senator Hobbs)

Would have delayed, suspended or repealed a series of school district unfunded mandates.

SB 5754—At-risk youth

(Senator Litzow, by request of Governor Inslee)

and HB 1871

(Representative Maxwell, by request of Governor Inslee)

Would have created: the Alliance for Student Success in Education and Training (ASSET) Program to increase work-integrated learning opportunities; and a grant program to implement dropout re-engagement programs aligned with entry into high-demand occupations.

SB 5822—Child abuse

(Senator Pearson)

Would have required Child Protective Services, if it has knowledge of substantiated abuse or neglect of a child, to contact the public school district where the child is enrolled and share the information related to the abuse or neglect with the school district’s superintendent.

SB 5852—Improving student outcomes

(Senator Litzow)

Would have created a pilot program with the objective of providing exemplary teachers the opportunity to continue to work directly with students in the classroom, serve as

mentors and instructors to other teachers, and earn at least \$100,000 annually. Locally funded salary enhancements (TRII) would have been eliminated, except for a maximum ten percent enhancement for “non-basic education functions that are unique to the school district.” References to a minimum 180-day year would have been removed from current law, while required minimum instructional hours (including planned increases) would have been retained. In addition, the State Board of Education’s authority to provide waivers from the amount of annual instruction would have been deleted.

SB 5863—Charter schools

(Senator Litzow)

Would have exempted charter schools and nonprofit organizations contracting with a charter school to provide educational instructional services from business and occupation taxes. Additionally, the bill would have removed the current business and occupation tax exemption for materials printed in school district and educational service district printing facilities when the materials are used solely for school district and educational service district purposes

SB 5867—Supreme Court judges

(Senator Baumgartner)

Would have reduced the number of State Supreme Court judges from nine to five. The resultant savings would have been used to fund basic education.

SB 5885—Spanish and Chinese languages

(Senator Roach)

Would have created a Spanish and Chinese language instruction pilot program for up to two school districts.

SB 5895— Education funding

(Senator Hill)

The Senate’s proposed primary funding mechanism for *McCleary*, this bill would have taken a series of dedicated funds and “reprioritized” them for education purposes. It would have re-established a state expenditure limit—for all

areas of government, except education. Until 2018, half of the state property tax (dedicated to schools) would have been deposited into the Education Legacy Trust Account. After 2018, all property taxes levied by the state would have been deposited into the Education Legacy Trust Account.

SB 5898—Education funding

(Senator Hill)

Would have provided for an increase in funding for Maintenance, Supplies, and Operating Costs, while also decreasing local school districts’ maximum levy lids and school districts’ maximum Local Effort Assistance levy percentages.

SB 5900—Income tax

(Senator McAuliffe)

Would have decreased the state sales tax rate from 6.5 percent to 5.5 percent, and imposed a 4.5 percent income tax. The resultant revenue would have been deposited in the Education Legacy Trust Account.

SB 5901—Education reforms

(Senator Litzow)

A repackaging of Senate-adopted education “reform” bills, SB 5901 would have: delayed, suspended or repealed a series of education unfunded mandates (SB 5753); provided letter-grading of schools (SB 5328); and modified current provisions regarding student suspensions and expulsions (SB 5244).

SB 5909—Expanding STEM

(Senator McAuliffe)

Would have expanded science, technology, engineering, and mathematics (STEM) education to include the arts.

SJM 8006—Firearms safety

(Senator Chase)

This Memorial would have encouraged, rather than required, licensed child care, preschool, and early learning programs, and school districts to promote the use of the Eddie Eagle GunSafe Program to help prevent firearms accidents among children.

SJR 8203—Student searches

(Senator Carrell)

and HJR 4209

(Representative O'Ban)

These constitutional amendments would have provided that a reasonable suspicion standard applies when school officials—including teachers, teachers' aides, school administrators, school police officers, and local police school liaison officers—conduct a search acting on their own authority of a student on school grounds for the purposes of enforcing school rules, and the school search exception to the warrant requirement is authorized.

SJR 8208—Simple majority for bonds

(Senator Mullet)

This constitutional amendment would have permitted the passage of local school district bond issues with a simple majority approval of voters.

SJR 8209—Higher education

(Senator Baumgartner)

This constitutional amendment would have made funding public institutions of higher education the second highest duty of the state.

Pensions and Health Benefits

John Kvamme, Consultant for Pensions and Health Benefits Legislation

The major positive thing regarding action by the 2013 legislative session on pension and health benefits was that they did not make any significant reductions or changes. They followed the recommendations of the State Actuary and Pension Funding Council on contribution rates. The rates established for the biennium are increased to meet needed rates for the biennium and to meet the scheduled payment on the unfunded liability of TRS and PERS Plan 1. Two major bills that were introduced by Senate Coalition members and were opposed by our association were SSB 5851 and SSB 5905. These bills received no action in the House and therefore died at the end of the session.

Pensions: SSB 5851 was introduced by Senator Bailey as an optional 401k pension plan for present and new members. The original bill that was a mandatory pension plan for new employees, SB 5856, was introduced by Senator Tom. These two bills combined were the major pension issue of the session that we opposed and at the end of session died, however they can be resurrected during the 2014 session. HB 1668/SB 5650, Plan 2 Access to the PEBB, was the only pension bill of the five we introduced that was given a courtesy hearing in the House.

Health Benefits: The major health benefit bill that we opposed and died at the end of session was SSB 5905. This bill was introduced by Senators Hill and Hargrove and its intent was to save budget dollars by projecting that the newly formed Washington Health Benefit Exchange under the Affordable Care Act would cover enough K–12 part-time employees so that the district’s state health benefit allocation could be reduced. We believed that it was premature to assume such savings because the Exchange does not begin until January 1, 2014 and the participation of members is voluntary. The final operating budget does what we recommended. That is to have JLARC report on the participation of part-time employees within the OIC scheduled December 1, 2014 report required within ESSB 5940 (2012 session).

Court Cases: K–12 employees have been interested in following progress in the two court cases filed by the unions, WEA, WFSE and RPEC. The Gain Sharing and Plan I Annual Increases cases are scheduled to be heard together in November 2013. Under an order signed by Chief Justice Barbara Madsen, the Washington Supreme Court will hear oral arguments on the gain sharing and the annual increase as companion cases and the hearings will most likely be set for either November 12 or 18, 2013. The court order also set forth an accelerated schedule for the parties to submit written briefs to the court. A King County Superior Court ruling found that the repeal of gain sharing was invalid, but also held that the state can terminate the replacement benefits if gain sharing is ultimately reinstated. That means that the early retirement option within the replacement benefits could be terminated. The Thurston County Superior Court case on the Uniform COLA annual increase found that the Legislature improperly repealed the increase. It is not known how long it will take for a ruling to be issued by the Supreme Court once oral arguments are heard. Both pieces of legislation had the “poison pill” provision that reserved the rights of the Legislature to repeal the program at a later date.

**Final Operating Budget:
3ESSB 5034—Operating Budget (Representative Hunter & Senator Hill)**

Pensions:

- Contribution Rates: are as recommended by the State Actuary through the Pension Funding Council.

		Employer Cost		
	Plan	Current	House & Senate	Plan 2 Member
o	TRS	8.05 %	10.39 %	4.96 %
o	SERS	7.59 %	9.82 %	4.64 %
o	PERS	7.21 %	9.21 %	

- SSB 5851 Defined Contribution Option Plan (401k): not included in the final proposed budget, thus presumed dead.

Health Benefits:

- Health Benefits Allocation

Current – \$768	Senate: 2013–14 - \$758	2014–15 - \$758
per month	House: 2013–14 - \$768	2014–15 - \$768
	Final: 2013–14 - \$768	2014–15 - \$768

- Remittance

Current – \$65.17	Senate: 2013–14 - \$54.68	2014–15 - \$55.39
	House: 2013–14 - \$64.40	2014–15 - \$70.39
	Final: 2013–14 - \$64.40	2014–15 - \$70.39

- Retiree Subsidy Final: \$150 per month is provided for calendar years 2014 and 2015.
- Part-Time Employees/Exchange: SSB 5905 does not appear to be included in the final budget. A section under JLARC requires that committee to include an analysis of the impacts of using the Exchange as a mechanism for providing health insurance for part-time K–12 employees within the December 1, 2014 OIC report as outlined in ESSB 5940 (2012 session)
- Wellness and PEBB Coverage Waiver Surcharge: The smoker surcharge and spouse or partner surcharge issues appear to only pertain to employees that use the PEBB health insurance plans. The smoking surcharge is \$25 per month and the spouse/partner surcharge is \$50 per month.
- Office of the Insurance Commissioner (OIC): The amount of funding for the OIC during the 2013–2015 biennium for the ESSB 5940 reporting project is reduced by \$900,000.

Health Benefits-Related Bills That Passed

ESSCR 8401—Joint Select Committee on Health Care

(Senator Keiser)

Filed with Secretary of State

Promotes coordination and oversight between the HCA, Health Benefit Exchange, OIC, Department of Health and DSHS to lead to efficiencies in health care delivery and cost savings to the state. Filed with the Secretary of State.

SSB 5459—Ninety-day limit on certain drugs

(Senator Becker)

C262 L13

Relates to requiring ninety-day supply limits on certain drugs dispensed by a pharmacist.

SSB 5524—Prescriptions by physician assistants in other states

(Senator Cleveland)

C12 L13

Authorizes Washington pharmacies to fill prescriptions written by physician assistants in other states.

ESHB 1480—Direct practices

(Representative Green)

C126 L13

Allows Direct Practices to pay for charges associated with the provision of prescription drugs and routine lab and imaging services that become part of the total annual direct fee charged the direct patient.

ESHB 1679—Disclosure of health care information

(Representative Cody)

C200 L13

Makes changes to health care disclosure laws. Prohibits specific disclosure on certain issues.

Health Benefits-Related Bills That Died

ESSB 5811—Employee wellness

(Senator Tom)

Health plans offered to state employees must include an employee wellness program. The HCA must coordinate with the PEBB to design a benefit package that more strongly encourages the use of high-value services and member engagement in health assessment and wellness programs. Creates a health and wellness advisory committee to consult with and advise the director of HCA regarding the wellness program. (Portions of this bill are in the Operating Budget.)

ESSB 5905—State Employee Health Insurance Eligibility/Affordable Care Act

(Senators Hill & Hargrove)

Provides goals for K–12 and the State to take advantage of the federal Affordable Care Act (ACA), including the Washington Health benefits exchange, premium tax credits, and subsidies to make more affordable health benefit plans available to part-time K–12 and state employees. It also dedicates a portion of the savings to assist districts in improving plan costs or compensation for those participating employees. Savings appears to come from reducing health benefit allocations by aligning those served by the Exchange with the allocation FTEs. It also aligns eligibility for the PEBB with the ACA guidelines.

ESHB 1448—Telemedicine

(Representative Bergquist)

Recognizes the application of telemedicine as a reimbursable service from a health care provider.

HB 1587—HCA Statute update/changes

(Representative Cody for HCA and LEOFF Plan 2 Board)

Makes technical changes and updates to match federal and state changes in law.

2SSB 5540—Out-of-state carriers

(Senator Parlette)

Expands the opportunity to purchase health care coverage from out-of-state carriers.

Governor's Proposed Budget that Died

HB 1057—Governor Gregoire Operating Budget 2013–15

(Representative Hunter)

and SB 5034

(Senator Hill by request of Governor Gregoire)

Sets the health benefit allocation at \$777 for 2013–14 and \$788 for 2014–15. Sets the remittance for retirees at \$66.22 beginning September 1, 2013, then \$71.76 for 2014. The subsidy for Medicare eligible retirees stays at \$150 per month. Pension contribution rates adopted by the Pension Funding Council are used in the operating budget; however the DRS administrative fee goes from .16 to .18.

Pensions-Related Bills That Died

ESSB 5851—Defined Contribution Plan Option (PESP)

(Senator Bailey)

Creates the new Public Employees Savings Plan (PESP). This plan is a new defined contribution plan (401k) option for persons who are eligible for membership in TRS, SERS, and PERS Plans 2 and 3 and PSERS Plan 2 who were employees first hired in a position on or after July 1, 2014. These new members have the option to make a choice to transfer to PESP within 90 days after hired. If the new member does not make a choice the default plan becomes Plan 3. Present Plan 2 and 3 members in the “transferable plans” (TRS, SERS, PSERS or PERS) can also make an irrevocable choice to move into this new 401k style plan between January 1, 2015, and July 1, 2015. Employee earnings from their past defined benefit plan would be rolled into the member's PESP account in 2015 and 2017. For new and transferred PESP members the plan requires a 5 percent employee contribution up to age 35 and then a 7.5 percent rate thereafter and the employer would match 80 percent of the employee's contributions. The member's funds would be invested within the employee chosen options within the SIB. The employer would continue to pay contributions to the unfunded liability of Plan 1 on these

PESP members. A provision was added that would allow a SESP member to transfer to Plan 3 at a later date and under certain conditions.

SHB 2018—Contribution rates

(Representative Hunter)

The focus is on the additional collection of pension contribution rates when a public employer delays payment and that delay impacts state investment earnings.

SSB 5916 Public retirement plans – excess compensation

(Senator Bailey)

Part of this bill deals with excess compensation when determining the average final compensation (AFC) is revised to include reportable compensation in excess of 125 percent over the preceding service creditable time period of time period of equivalent length. Amendments were added. One makes excess compensation new law retroactive to June 30, 2011.

SB 5856—Defined contribution plan

(Senator Tom)

TRS, SERS, PSERS and PERS Plans 2 and 3 are closed as of July 1, 2014 for new employees. They would be assigned to the new defined contribution retirement plan. Also, present employees in these same plans who are under the age of 45 and first established service in one of these “transferable plans” prior to July 1, 2014 would be moved to the defined contribution retirement plan. Like in SB 5851, the plan requires a 5 percent employee contribution until age 35, and 7.5 percent thereafter. The employer would match 80 percent of the employee’s contributions. The employer and employee contributions would be invested within the employee’s chosen options within the SIB.

HB 1226—PERS Postretirement employment restriction

(Representative Ormsby)

and SB 5633

(Senator Conway for the SPPP)

Restricts PERS employees from collecting a pension while doing postretirement employment in an ineligible position or a position covered by another state retirement system.

SB 5383—PERS Postretirement Employment Exception

(Senator Benton)

Provides an exception from the ERRF statute for county auditor elections division employees in doing postretirement employment at a rate of compensation not exceeding their rate at retirement up to a maximum of 60 days without a reduction of pension.

SB 5392—Excess compensation

(Senator Bailey)

Limits the impact of excess compensation on state contribution rates. The bill adds to the excess compensation section (RCW 41.50.150) that overtime, bonuses, cash outs of any form of leave, or lump sum payments that combine to exceed one and one-half times the employee’s total reportable compensation in the immediate proceeding

service creditable time period of equivalent length is included within the definition.

(Excess compensation is in SSB 5916)

HB 1668—Plan 2 access to the PEBB

(Representative Cody)

and SB 5650

(Senator Keiser)

Allows TRS, PERS and SERS Plan 2 members access to the Public Employee Benefit Board (PEBB) health plans upon separation (not retirement) from service at age 55 with at least 20 years of service.

HB 1913—School service worker service credit

(Representative Ormsby)

and SB 5827

(Senator Chase)

Within SERS a definition of a “service worker” is included. It changes the calculation and service credit determination of the service worker toward the member’s pension.

SB 5512—Plan 2 & 3 “Two Month Problem”

(Senator Conway)

and HB 1610

(Representative Hunt)

Solves the two month problem for administrators using the Early Retirement Reduction Factor (ERRF) eligibility option in their 30th year of service.

HB 1666—Establishes a five-year vesting in Plan 3

(Representative Reykdal)

and SB 5652

(Senator Roach)

Present vesting for TRS, PERS and SERS Plan 3 members is 10 years or five years with 12 service credit months after attaining the age of 44. This bill would just require the five years which is similar to other plans.

HB 1665—Rule of 85

(Representative Hunt)

Allows any TRS, PERS or SERS Plan 2 or 3 members to retire if the sum of the member's age plus the number of years of service equals 85 or more. With total of 85 the member would be eligible to retire.

HB 1667—Postretirement employment

(Representative Moscoso)

and SB 5651

(Senator McAuliffe)

Eliminates the provision that prohibits certain ERRF retirees from being able to work any of the 867 hours of postretirement public employment before age 65.

HB 1820—Forgone compensation

(Representative Bergquist)

The forgone compensation provision adopted last biennium is extended to 2013–2015. This provision allows forgone compensation to be included in the calculation of a member's pension.

HB 1914—School service worker alternate early retirement

(Representative Ormsby)

and SB 5830

(Senator Chase)

Within SERS a definition of a "Service Worker" is included. Early retirement and alternate early retirement provisions in SERS for service workers are reinstated regardless when they became employed in an eligible position.

HB 1933—Postretirement employment

(Representative Ormsby)

Allows TRS and PERS Plan 1, 2 and 3 members, including higher education members in these plans, to do postretirement employment in the state's public service without suspension of pension after satisfying the required month required break in employment. The prior 867 hour limitation is dropped.

Alliance of Educational Associations

Mitch Denning, Ed.D., AEA Consultant

AEA is an affiliate of WASA

Alliance of Educational Associations, comprised of Washington School Business Officials (WASBO), Washington Association of Maintenance and Operation Administrators (WAMOA), and Washington School Nutrition Association (WSNA), felt fairly positive about the Legislature's response to our 2013 priorities, especially with the challenges they faced within their caucuses on raising new revenue.

After 151 days, the 2013 legislative session ended on June 29, as the final operating budget made a \$1 billion down payment toward the eventual full funding of K–12 basic education by 2018. Though WASA and AEA suggested \$1.7 billion, and the Education Joint Funding Task Force proposed \$1.4 billion, the challenges of getting new revenue made the \$1 billion appropriate for this session. From the state's fiscal view, the budget leaves \$631 million in reserve, which is more than previous proposed budgets called for.

AEA is pleased that there were twelve K–12 policy enhancements included in the 2013–15 Operating Budget. One, MSOC is increased by \$374 million, bringing the 2014–15 amount per student to \$781.72, and the allocation for CTE is not reduced. Two, pupil transportation by 2014–15 is fully funded with an allocation of \$131.68 million. Three, all-day kindergarten is increased by \$89.82 million, bringing the full funding to 43.75 percent based on free and reduced lunch counts. Four, K–3 class size reduction, not supported by the Senate until late in the second special session, is increased by \$103.6 million, which reduces K–1 class size in 2014–15 to 20.3 FTE. Five, LAP is increased by \$143.07 million, focusing on early-grade reading proficiency and the Readiness to Learn program. Six, by 2014–15, 7–12 instructional hours will be increased to 1,080 with the \$96.97 million allocation. Seven, funding for middle and high school counselors and elementary parent engagement coordinators is increased by \$24.06 million. Eight, the TBIP program is increased by \$18.86 million

with additional time provided for students who have exited the program in the last two years. Nine, an additional \$15 million is provided for principals and teachers to implement the new principal/teacher evaluation system, including an on-line training program. Ten, \$10.28 million is provided to OSPI for grants to low-achieving districts which are identified as Required Action Districts. Eleven, LEA is increased slightly (\$8.3 million) due to the basic education enhancements which increase LEA payments as districts' levy bases are expanded. Twelve, funds for early-grade reading efficiency are provided (\$4.43 million), along with permissible uses for students with behavioral issues.

The budget also makes nine K–12 reductions. One, I-732 is suspended, not repealed which was called for in early Senate budgets, saving \$295.47 million. Two, in the assessment area, changing the high school reading and writing exam to an English Language Arts exam saves \$24.96 million. Three, \$24.72 million is saved through the elimination of the hold harmless basic education funding as the state is catching up with their required basic education funding. Four, a net savings is realized from ALE changes and audit recoveries (\$12.67 million). Five, Navigation 101 grant funding is eliminated (\$5.03 million), yet districts with support from OSPI may continue operating the program with other funding sources. Six, Alternative Routes program is suspended for 2013–15 saving \$4.24 million. Seven, the inflationary increase for the National Board Teacher program is also suspended saving \$3.01 million. Eight, Paying for Student Success program is eliminated, saving \$3 million. Nine, funding for ESD regional tech centers is eliminated saving \$1.96 million.

In addition, the 1.9 percent certificated and 3.0 percent classified and administrative temporary salary reductions are reinstated. Also, JLARC is asked to conduct an analysis of how districts use school days, both for instructional and non-instructional time. Funding of \$200,000 is provided for

the Criminal Justice Training Commission, in cooperation with the School Safety Center Advisory Committee, for school administrators' training in school safety procedures.

All three associations are pleased that the \$14.2 million funding was maintained for child nutrition services, as "hungry kids can't learn."

There are several policy bills which AEA followed during the session that were not included in the final operating budget. Those include "mutual consent" in assigning teachers between the teacher and the principal; and capping non-education spending for three biennia beginning in 2015. Neither issue had support in the House; as the Senate finally backed down to help settle the budget challenge near the end of the second special session. Two other Senate reform issues, also not supported by the House, were not part of the budget, including a cap on TRII pay (10 percent of district salary expenditures) and tying compensation increases to professional development.

In the 2013–15 Capital Budget, K–12 had some good benefits. The funded projects include: 1) School Construction Assistance Program (\$495,087 million); 2) \$10 million for distressed schools; 3) \$7 million for K–12 energy grants through OSPI; 4) \$10 million for school security improvement grants, also through OSPI; 5) \$5.4 million for Delta High School; 6) \$1 million for San Juan School District STEM vocational building renovation; 7) Spokane Valley Tech (\$1.5 million); 8) Tahoma School District (\$4 million); 9) Clark County Skills Center (\$7.151 million); 10) Pierce County Skills Center (\$11.609 million); 11) Spokane Area Professional-Technical Skills Center (\$11.887 million). Unfortunately, the Small Repair Grant, a very successful program over the last eight years, was not funded.

The Governor signed four bills that AEA followed closely, including 2SSB 5329, assisting persistently low-performing schools, and 2SSB 5197, taking measures to promote safe school buildings. SB 5329 directs OSPI, with the assistance of the State Board of Education, to design a system of support for schools that are struggling academically, both Title I and non-Title I schools. Such schools that continue

to be among the lowest-achieving can become Required Action Districts (RAD) and must continue to develop plans for improvement with direct involvement of both OSPI and the SBE.

SB 5197 requires districts to work with local law enforcement to develop an emergency response plan to expedite the response and arrival of law enforcement; districts must also consider perimeter security control and using building designs with certain safety features in designed new or remodeled facilities. The School Safety Advisory Committee must develop model policies regarding emergency responses, and OSPI must allocate, if funding is provided for a competitive grant program for districts to implement emergency response systems. SB 5035, the Senate's capital budget, does fund \$10 million for school security grants, but it's not funded in HB 1089, House 2013–15 Capital Budget.

On May 14, the Governor signed SHB 1633, which raises the inhouse school repair bid limit from \$40,000 to \$75,000, which will give districts more flexibility and save money as well. AEA provided strong support through public testimony and email support of the \$75,000 bid limit. Special thanks goes to Dave Dumpert, director of maintenance, North Kitsap School District, for his excellent testimony on this bill.

Finally, a bill that AEA opposed, SHB 1652, deferral of school impact fees, was vetoed by the Governor on May 21. This would have required counties, cities and towns to adopt deferral systems for collection of impact fees on residential construction that delays payment until time of final inspection or certificate of occupancy. This is particularly problematic for growing school districts who now receive the impact fees at the time the building permits are issued. The current practice gives the districts funds and time to purchase portable buildings so they can be ready to educate the students when they move in. AEA is pleased that the Governor has vetoed the bill, and that neither house decided to try and override it.

In summary, the 2013 session was challenging but rewarding, as each of the three associations was able to

provide strong leadership in influencing appropriate K–12 public policy issues through effective communication with legislators, and with legislative committees.

AEA Interim Plans:

WAMOA will be setting up several school legislative visits in the fall to enable interested legislators to learn more about school facilities in their legislative districts.

WSNA will also be conducting legislative visits in the Spokane area this fall to help lawmakers understand the importance of providing state dollars to feed hungry kids.

WASBO will continue to work with the Office of Insurance Commissioner to support the new health benefit data collection process.



ALLIANCE OF EDUCATIONAL ASSOCIATIONS

- Washington Association of Maintenance and Operations Administrators (WAMOA)
www.wamoa.org
- Washington Association of School Business Officials (WASBO)
www.wasbo.org
- Washington School Nutrition Association (WSNA)
www.washingtonsna.org

Mitchell Denning, Ed.D.

AEA Consultant

7530 Fair Oaks Rd. SE

Olympia, WA 98513

360-280-1930

medenning@comcast.net



LEADERSHIP | TRUST | ADVOCACY

2012-13 LEGISLATION AND FINANCE COMMITTEE

- Region 101.....Pam Veltri, Medical Lake
- Region 105.....Rick Cole, Sunnyside
Stephan Myers, ESD 105
Mike Brophy, West Valley
- Region 108..... Ken Axelson, Conway
- Region 109.....Ken Hoover, Monroe (Chair)
- Region 110.....Susan Smith Leland, Highline
- Region 111..... Frank Hewins, Franklin Pierce
- Region 112..... Mark Mansell, La Center
Mike Nerland, Camas
- Region 113.....Karen Ernest, Mossyrock
- Region 114.....David McVicker, Central Kitsap
- Region 123..... Mick Miller, Walla Walla
- Region 171..... Mark Wenzel, Methow Valley
Garn Christensen, Eastmont
- Small SchoolsLou Gates, Columbia-Burbank
- IPACMike Villarreal, Othello
- Principals.....Kevin Alfano, Fife
- BPAC..... Tom Fleming, ESD 105
- Special Education Jennifer Traufler, Tacoma
- Superintendents.....Brian Talbott, Nine Mile Falls
- ESDs..... Mike Dunn, NEWESD 101
- Federal Liaison..... Michelle Price, Moses Lake
Frank Hewins, Franklin Pierce
- At-Large..... Steve Nielsen, Puget Sound ESD
Jim Kowalkowski, Davenport/
Rural Education Center
- WASA..... Paul Rosier, Executive Director
Dan Steele, Asst. Executive Director
Paul Sturm, Pullman (President)
Sheila Chard, Admin. Assistant
- Consultants.....John Kvamme (Pensions/Health)
Mitch Denning (AEA)
Jim Shoemake (AESD)
Marcia Fromhold (AESD)

WASA is a statewide organization representing 1,600 active and retired public school superintendents and administrators.

2013 LEGISLATIVE PLATFORM

WASA believes that the commitment of resources to the education and welfare of the children of Washington State is an investment in the quality of our future.

We believe that effective school leaders initiate and manage change resulting in a system of K-12 education in which all students receive a quality education.

Invest in the Paramount Duty

WASA believes the Legislature should be held accountable to implement the new basic education finance system as adopted in ESHB 2261 (2009) and SHB 2776 (2010). To ensure the new system is completely implemented—with full and equitable funding—by 2018, in compliance with the Supreme Court’s *McCleary v. State* ruling, meaningful progress must be made in the 2013-15 budget. A significant down payment to schools should be driven out based upon the new funding model, with enhanced allocations for Maintenance, Supplies, and Operating Costs (MSOC) as the first priority.

Embrace Innovative, Flexible, Equitable and Accountable School Options

WASA strongly supports public school options that have been designed and implemented to meet the unique needs of local school districts’ students, families and communities. We encourage the Legislature to continue to support the expansion of innovative approaches to education by providing school districts with additional flexibility, incentives, and public recognition. While school administrators support additional innovation options that are inclusive and equitable, WASA cannot support the authorization of charter schools operating independently of elected school boards.

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.
(§ 1)

The Legislature shall provide for a general and uniform system of public schools. (§ 2)

Constitution of the State of Washington
Article IX - Education

Washington Association of School Administrators
825 Fifth Avenue SE | Olympia, WA 98501
360.489.3642 | 800.859.9272

www.wasa-oly.org

*Approved by the WASA Legislation and Finance Committee 9/10/2012
Approved by the WASA Board of Directors 10/10/2012*