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Week 13 - April 8–12, 2013

This Week in Review

On Tuesday, the final self-imposed committee cut-off deadline arrived. All fiscal-related bills needed to be adopted by opposite house fiscal committees by Tuesday evening in order to remain alive. That said, rules are made to be broken. It is normal at this time of the session to see a series of new bills being introduced that can be used as vehicles for budget issues. This year, however, there has been an uptick in the number of end-of-session introductions—and many of those late arrivals are more than just budget tag-alongs. A handful of non-budget bills with substantive policy implications have been introduced late. The main focus of these bills is an adjustment to policy, but they are being moved in the guise of being “budget implementing” bills. In recent *TWIOs* we’ve mentioned a few of those bills with education impacts:

About *TWIO*

This Week in Olympia is emailed to active WASA and AEA members each Friday during the Legislative Session and is posted on WASA’s website at www.wasa-oly.org/TWIO.

- **SB 5895** takes a series of dedicated funds and “reprioritizes” them for education purposes. This action provides funding for the Senate’s budget plan and IS directly budget-related. A major part of this bill, however, re-establishes a state expenditure limit and while it has implications for the budget, it clearly is a substantive, long-term change to policy.
- **SB 5898** reduces school district levy lids and lowers Local Effort Assistance (LEA). The Senate uses these “savings” in their budget; however, this is clearly a substantive, long-term change to policy.
- **SB 5901** is a repackaging of Senate-adopted education “reform” bills that have been dramatically altered in the House. These include: **SB 5753**, education flexibility; **SB 5328**, letter-grades for schools; and **SB 5244**, student suspensions and expulsions. Instead of resolving the differences in the bills between the houses, why not just start over with new versions of the original ideas? Clearly, these are substantive policy issues.
- **SB 5905** provides an opportunity for part-time state and school district employees to access health care insurance through the Washington Health Benefit Exchange, in compliance with the federal Affordable Care Act. The Senate budget projects an \$87 million savings from this; however, this is another substantive, long-term policy change. In addition to SB 5905 being a substantive policy bill, it is extremely complex (and a bit convoluted) and it is “not ready for prime time.” This is the type of legisla-

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tion that needs to be moved through the full legislative process, with complete and thoughtful public hearings and an opportunity for legislators and stakeholders to thoroughly review the issues at hand. Instead, a rapidly called public hearing gave stakeholders less than 24 hours to even read the bill (not to mention understand it), with little-to-no opportunity to walk through concerns with legislators.

Each of these bills was introduced well past the Legislature’s cut-off deadlines and are being quickly jammed through the legislative process (exception: SB 5901 has not yet been acted upon). Sometimes it makes complete sense why the public is so frustrated with their government.

As the Legislature shifts its focus to budget issues, this week was full of budget activities. On Tuesday, Senate budget-writers introduced a new, expanded version of a 2013–15 Capital Construction Budget. On Wednesday, House budget-writers unveiled their 2013–15 Operating Budget (reviewed in detail below), in addition to a Capital Budget. Surely it was a coincidence, but even President Obama was involved in “budget week,” presenting his Fiscal Year 2014 Budget proposal to Congress on Wednesday. [A full analysis](#) of the proposal, along with various [budget materials](#), is available from AASA, the School Superintendents Association.

Senate Capital Construction Budget

Four weeks into this session, Senate budget-writers introduced an “early-action” Capital Construction Budget, [SB 5445](#). That bill would have appropriated a total of \$544 million, mostly for K–12 education. It would have authorized \$475 million in General Obligation Bonds for the School Construction Assistance Program and \$10 million for a school security grant program (funding the required emergency response systems described in [SB 5197](#)). SB 5445 was quickly heard and moved out of the Senate, but has not been moved by the House.

This week, Senate budget-writers unveiled a new (and broader) Capital Budget proposal, a Proposed Substitute version of [SB 5035](#). Upon releasing the proposal, Senate Majority Coalition Caucus leadership stated the budget was developed using a “clear set of guiding principles:

- Respecting the diverse needs of our communities;
- Focusing on health, safety, education, and jobs; and
- Leaving capacity in the budget to consider shifting demands in the future

The Senate’s new proposal is a \$3.58 billion package, funded with \$1.68 billion in bonds. Bonds are authorized in [SB 5036](#). A total of \$536 million (\$488 million in bonds) is provided to K–12 education. Funding of \$521.6 million is included to “fully fund” the current formula for the School Construction Assistance Program. The budget also provides: \$3.9 million for Capital Program administration at OSPI; \$500,000 for an Emergency Repair Pool; and \$10.0 million for School Security Improvement Grants (implementing SB 5197).

Proviso language in SB 5035 requires OSPI to form a workgroup to recommend how the School construction Assistance Program can better support state policy objectives to reform and improve public education. Additional language requires OSPI to expedite the eligibility review and project approval process for school construction assistance to address the school construction emergency resulting from the recent fire that destroyed the Crestline School in the Evergreen School District.

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House Capital Construction Budget

On Wednesday, House budget-writers released their own 2013–15 Capital Budget proposal, a Proposed Substitute version of **HB 1089**. Funding and projects included in the House budget are very similar to the Senate’s package. The House proposal includes \$3.59 billion in total funding, with \$1.67 billion coming from GO bonds. Bonds are authorized in **HB 1088**. For K–12 education, a total of \$559.8 million (\$346.3 million in bonds) is provided. The School Construction Assistance Program is provided with \$494.8 million. Although this is a lesser appropriation than included in either Senate proposal, the House expects this to “fully fund” the current construction formulas. (Both houses have clearly stated their Capital Budget priority is K–12 education and both houses want to provide the full level of needed funding for SCAP. The differing funding levels will be a point of discussion in negotiations.)

The House budget proposal also includes:

- \$10.0 million for Distressed Schools;
- \$15.0 million for Energy Efficiency Grants;
- \$32.1 million for Skills Centers across the state (Spokane Area Professional Technical Skills Center—\$11.9 million; Pierce County Skills Center—\$11.6 million; Clark County Skills Center—\$7.2 million; and Spokane Valley Tech—\$1.5 million);
- \$4.0 million for the purchase of property from King County for the siting of a school within the Tahoma School District; and
- \$3.9 million for Capital Program administration at OSPI

Detailed House Budget Review

(NOTE: The April 10th Special Edition of *TWIO* provided a quick summary of the major highlights of the House budget. Below is a more detailed, full (and updated) review of the K–12 portion of the House proposal.)

On March 28, Governor Jay Inslee unveiled his “**budget priorities**” and a revenue package to pay for it. Last week, on April 3, budget-writers in the Senate Majority Coalition Caucus introduced **their budget proposal**. The full Senate adopted the budget with a vote of 30–18 on April 5. This week, on Wednesday, House Democrat budget-writers released their budget and revenue package. (The House budget proposal is a Striking amendment to the Senate-adopted **SB 5034**; their revenue package will be rolled out in a series of bills over the next few days.) The House Appropriations Committee adopted a (modestly) amended version of their budget last night and the full House is expected to take action today (or perhaps tomorrow). After the full House adopts its budget, all pieces of the budget puzzle will be on the table and budget-writers in the Senate and House (and presumably Gov. Inslee) will begin negotiating in earnest on a final, compromise 2013–15 Operating Budget.

The House’s budget addresses the state’s \$3.4 billion budget problem (projected shortfall and *McCleary* enhancements, along with a healthy Ending Fund Balance) with a combination of fund transfers (\$757 million); spending reductions (\$1.3 billion); and increased revenue (\$1.3 billion). In addition to the specific line-items within the budget, the House’s total spending and proposed revenue increases are major points of disagreement with the Senate. Additionally, the House budget, while keeping \$337.3 million in reserve, would completely exhaust the Budget Stabilization Account. The funding package assumes use of the BSA’s \$575.0 million. This will be a philosophical difference with the Senate—and it was cause a practical, political problem. To access the BSA requires a 60 percent supermajority vote of both houses. It is doubtful the Senate could garner even a simple majority to zero out the BSA and it doesn’t appear that the House currently has the necessary 60 votes to use those funds. That would leave an almost \$600 million hole in the House budget plan. In simple terms, that means either more revenues would need to be found (the Senate will be resistant

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to ANY revenue increases); or more cuts to current programs will be required (the House will be resistant to any addition cuts to programs). This is a recipe for a potentially long, drawn out negotiations process. With only 16 days left before Sine Die, a Special Session is looking even more likely.

The House proposes a \$34.51 billion spending plan, with \$15.55 billion being committed to K–12 education. In comparison, Gov. Inslee proposed total spending of \$34.21 billion, with K–12 receiving \$15.42 billion; and the Senate proposed a \$33.35 budget, with \$15.17 going to K–12 education. For a review of each proposal's *McCleary* down payment, compared to the spending plan adopted by the Joint Task Force on Education Funding, please see chart on page 10 of this *TWIO*.

Complete details of the K–12 portion of the House's 2013–15 budget proposal follow below.

Major K–12 Policy Enhancements

MSOC – \$461.3 million: The budget allocates \$461.3 million to enhance Materials, Supplies & Operating Costs (MSOC). MSOC allocations are increased from \$562.88 per full-time equivalent student in School Year 2013–14 to \$725.26 per full-time equivalent student. In School Year 2014–15 MSOC allocations are increased to \$902.73. The MSOC allocations are revised to reflect actual audited expenditures by school districts, as reported by OSPI. The allocation in the 2013–14 school year achieves 33 percent of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values and increases to 66 percent in School Year 2014–15.

STAFF SALARY ALLOCATIONS – \$246.5 million: \$133.2 million is provided to increase salary allocations for state-funded classified staff from \$32,310 to \$35,318. For those districts that receive allocations that are above the statewide base allocation for classified employees, the increased allocation is applied only to the extent that the statewide allocation for all districts is greater than their 2013–14 allocation. The additional allocation for these grandfathered districts is equal to the difference between their current allocation for classified employees and the new statewide base allocation for classified employees. (NOTE: [LEAP Document 2](#) lists budgeted classified salary allocations by district.)

\$113.7 million is provided to increase salary allocations for state-funded administrative staff from \$59,954 to \$71,332. For those districts that receive allocations that are above the statewide base allocation for administrative employees, the increased allocation is applied only to the extent that the statewide allocation for all districts is greater than their 2013–14 allocation. The additional allocation for these grandfathered districts is equal to the difference between their current allocation for administrative employees and the new statewide base allocation for administrative employees. (NOTE: [LEAP Document 2](#) lists budgeted administrative salary allocations by district.)

K–3 CLASS SIZE REDUCTION – \$ 225.3 million: Funding is provided to reduce non-poverty class sizes for grades kindergarten through three from 25.23 to 23.58 in School Year 2013–14 and 21.94 in School Year 2014–15. Class sizes in high poverty schools are reduced from 24.1 to 22.68 in School Year 2014–15 and 21.26 in School Year 2014–15. High poverty schools are defined as those schools with more than 50 percent of students qualifying for the federal Free and Reduced Price Lunch program.

PUPIL TRANSPORTATION – \$ 144.1 million: As of the 2013–14 school year, 50 percent of funding necessary to fully complete phase-in of the state's new pupil funding transportation formula is provided. In the 2014–15 school year, the phase-in is completed with full funding of the new formula. Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting System (STARS). The STARS uses statistical analysis of the 295 school districts to determine each district's expected cost of operations.

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FULL DAY KINDERGARTEN – \$91.5 million: Funding is provided to continue the phase in of state-funded All-Day Kindergarten. Allocations increase from 22 percent of kindergarten enrollment in School Year 2012–13 to 37.6 percent of kindergarten enrollment in School Year 2013–14 and 59.6 percent of kindergarten enrollment in School Year 2014–15.

CAREER & COLLEGE READY PLAN – \$63.5 million: Funding is provided for linear implementation of increased instructional hours for grades seven through 12. Additional instructional hours are implemented utilizing an hours per week per student formula. Provided funding for additional hours totaling 0.4444 per student per week is equivalent to 20 percent of full funding in the 2013–14 school year. Additional funding in school year 2014–15 increases instructional hours to 0.8888 per student per week, moving the state to 40 percent of the full funding target.

SCHOOL COUNSELING – \$40.1 million: \$22.5 million is provided to revise and increase the prototypical school funding model allocations for Parent Engagement Coordinators from 0.0 FTEs for the prototypical elementary school to 0.1 FTEs in School Year 2013–14 and to 0.2 in School Year 2014–15. The Parent Engagement Coordinator allocation for the prototypical middle and high schools is unchanged.

Another \$17.6 million is provided to revise and increase the prototypical school funding model allocations for guidance counselors for the prototypical middle and high schools by 0.1 FTEs in School Year 2013–14 and by 0.2 FTEs in School Year 2014–15. The guidance counselor allocation for the prototypical elementary school is unchanged.

PROFESSIONAL DEVELOPMENT – \$33.9 million: \$30.0 million is provided for training to prepare and educate teachers in the new Teacher/Principal Evaluation process. A one-time allocation totaling \$20 million is provided for eight hours of training for every teacher in the state to understand the instructional framework, state evaluation criteria, evaluation tool, and evidence required to determine effectiveness under the new teacher principal evaluation program. On-going allocations totaling \$5 million per year is provided for a 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.

Another \$3.9 million is provided to partially implement **HB 1680**, putting in place strategies to close the educational opportunity gap, based on the recommendations of the Educational Opportunity Gap Oversight and Accountability Committee. One-time funding is also provided for cultural competency training for teachers and principals. Additionally, funds are provided for two task forces created in HB 1680: a School Discipline Task Force; and an English Language Learners Accountability Task Force.

LEARNING ASSISTANCE PROGRAM – \$22.8 million: Funding is provided to increase the number of instructional hours provided for the Learning Assistance Program from 1.5156 hours per week per FTE student to 1.6125 hours per week per FTE student. (This increase is considered part of the Career and College Ready plan, as adopted in the spending plan of the Joint Task Force on Education Funding.)

TRANSITIONAL BILINGUAL INSTRUCTIONAL PROGRAM – \$12.0 million: Funding is provided to increase the number of instructional hours provided for the Transitional Bilingual Instructional Program. Funding is provided to assist with the transitional period immediately following exit of the program. An allocation of 0.6 hours per week per FTE student is provided for the first two years immediately following exit from the program in School Year 2013–14. This allocation is increased to provide 1.2 hours per week in School Year 2014–15. Funding allocations for students in prototypical middle and high schools are adjusted to reflect an allocation of increased hours per week. For the prototypical middle school, bilingual allocations are increased to 5.0224 in School Year 2013–14 and 5.2668 in School Year 2014–15. For the prototypical high school, bilingual allocations are increased to 5.4224 in School Year 2013–14

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and 6.0668 in School Year 2014–15. The increases related to transition from the program, middle school, and high school are all based on assumptions of linear implementation of the transitional bilingual plan recommended by the Joint Task Force on Education Funding with a targeted full implementation in School Year 2017–18, (This increase is considered part of the Career and College Ready plan, as adopted in the spending plan of the Joint Task Force on Education Funding.)

LOCAL EFFORT ASSISTANCE – \$10.0 million: Due to basic education enhancements, school district levy bases will expand. This increases local districts' levy capacity and increases Local Effort Assistance (LEA) funding. The budget provides \$10.0 million (in addition to required maintenance level increases) for increased LEA payments.

WASHINGTON ACHIEVERS SCHOLARS – \$5.5 million: The Washington Achievers Scholars program is expanded to increase the number of school districts in which the program is provided.

LONGITUDINAL DATA SYSTEM – \$1.2 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.

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 created additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

K–12 DROPOUT PREVENTION – \$504,000: Funds are allocated for the partial implementation of [HB 1424](#), K–12 dropout prevention. Allocated funds are sufficient for OSPI to develop a K–12 dropout prevention, intervention, and reengagement system assessment tool and to continue development of a dropout prevention early warning and intervention system.

STEM INSTRUCTIONAL RESOURCES – \$453,000: Funding is provided for the implementation of [HB 1872](#), defining science, technology, engineering and mathematics (STEM) literacy and establishing a STEM Education Innovation Alliance. This includes the addition of 1.0 FTE program supervisor in Science and Engineering at OSPI to make available STEM learning models to school districts. Sufficient funds are also provided for twenty \$5,000 grants to school districts each fiscal year.

CAREER & TECHNICAL EDUCATION GRANTS – \$400,000: Funding is increased for secondary Career and Technical Education grants.

AUDIT WORKLOAD INCREASE – \$200,000: One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience programs. Due to HB 2065, adopted in 2011, 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.

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.

NATIONAL CAREER READINESS – \$150,000: Funding is provided to OSPI to defray the cost of National Career Readiness certification testing for the state's graduates of the 50 Aerospace Assembly and Advanced Manufacturing High School and Skills Center programs. Support

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is provided for those students in the program that qualify as high poverty, as measured by eligibility for the federal Free and Reduced Price Lunch program. An estimated 1,875 students statewide will benefit each year. The estimated cost for each exam is \$36.

TROUBLED YOUTH IN SCHOOLS – \$138,000: Funding is provided to implement [HB 1336](#), which 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.

STATE-TRIBAL EDUCATION COMPACTS – \$132,000: Funding is provided to implement [HB 1134](#). One-time funding in the amount of \$103,000 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.

COMPUTER SCIENCE EDUCATION – \$124,000: Funding is provided for the implementation of [HB 1472](#), an initiative to improve and expand access to computer science education. The bill requires school districts to approve Advanced Placement (AP) Computer Science as equivalent to high school mathematics or science, and creates a grant program to support computer science professionals serving as co-instructors for AP Computer Science and upgrades in technology, curriculum, and teacher training.

ONLINE PROFESSIONAL DEVELOPMENT – \$100,000: Funding is provided to implement [HB 1252](#), creating an online professional development project, specifying that professional development modules must cover a range of topics and incorporate a variety of media. The bill requires that a contracted facilitator convene a steering committee of K–12 educators to design the project, including selecting the content of the professional development modules.

SCHOOL PILOT PROGRAM & DATA STUDY – \$50,000: Funding is 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.

SCHOOL NURSES – \$50,000: Funding is provided to the Health Care Authority and OSPI to develop recommendations for funding integrated school nursing and outreach services.

CPR INSTRUCTION – \$27,000: Funding is provided to implement [HB 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 an 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.

FINANCIAL EDUCATION PARTNERSHIP – \$8,000: Funding is provided to implement [HB 1173](#). The bill changes the structure of the Financial Education Public-Private Partnership and provides for reimbursement of substitute teacher and travel expenses related to the attendance of teachers who are members of the Partnership.

Major K–12 Reductions

INITIATIVE 732 – (\$295.6 million): Initiative 732, approved by voters in 2000, requires an annual cost-of-living adjustment for school employees based on the Seattle Consumer Price

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Index for the prior calendar year. These cost-of-living increases, (estimated to be 2.5 percent for the 2013–14 school year and 1.8 percent for the 2014–15 school year) are suspended for the biennium.

ALTERNATIVE LEARNING EXPERIENCE PROGRAMS – (\$38.0 million): In response to recent state audit findings, the state will establish new parameters for funding Alternative Learning Experience programs. School districts may claim funding for students who reside in district. School districts may only claim nonresidents if s/he meets one the following conditions: (1) the course identified in the student’s written student learning plan are all online courses; (2) the student has in-person, face-to-face instructional contact for at least twenty percent of the total weekly time for the course; or (3) at least ninety percent of the district’s total ALE headcount consists of students residing in district. These reforms are expected to result in a \$29.8 million savings.

The State Auditor’s Office (SAO) recently completed 2010–11 school year audits of Alternative Learning Experience Programs. An \$8.2 million one-time adjustment is included in the House 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 the ALE programs.

HOLD HARMLESS FUNDING – (\$24.7 million): The 2011–13 Operating Budget provided funding to hold districts harmless as the funding system was converted to the HB 2776 prototypical school funding model. The House’s budget assumes “hold harmless” funding is no longer needed due to the following basic education funding changes: (1) increasing the funding allocations for implementing the HB 2261/HB 2776 funding targets; (2) providing additional allocations in LAP and TBIP; and (3) providing additional allocations to fund an increase in 7th through 12th grade instructional hours. By eliminating hold harmless funding, the state “saves” \$24.7 million.

ASSESSMENT REFORMS – (\$24.3 million): Revisions in required statewide student assessments are expected to result in savings of approximately \$24.3 million. The revisions to statewide assessments include: replacement of the 10th grade high school reading and writing exams with a single English language arts exam; elimination of one required math exam; and utilization of the Smarter Balance test bank. Collection of Evidence grading is maintained at the Education Service Districts.

NAVIGATION 101 – (\$5.6 million): Funding for the Navigation 101 is eliminated. Savings from the elimination is redirected to the Washington Achievers Scholars program.

ALTERNATIVE ROUTES TRANSFER – (\$3.9 million): Alternative certification routes are teacher training programs that serve as different options to traditional teacher preparation programs. The conditional loan component of the program is transferred to the Washington Student Achievement Council (WSAC), as required by legislation adopted last year. The Professional Educator Standards Board (PESB) retains policy control over the program and selection of individuals receiving the conditional loans, consistent with law. Previously, the PESB and the WSAC did an annual interagency transfer to administer the conditional loan component.

NATIONAL BOARD BONUS – (\$3.2 million): The National Board Bonus program provides annual bonuses to teachers and counselors who have earned 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 \$5,510. This requirement is suspended for the 2013–15 biennium and the bonus will remain at \$5,090.

Additional Details

- 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

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temporarily reduced for the 2011–12 and 2012–13 school years. Funding is provided to restore the reductions. (For additional compensation information relating to pensions and health benefits, see pages 11 and 12 of this *TWIO*.)

- 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.

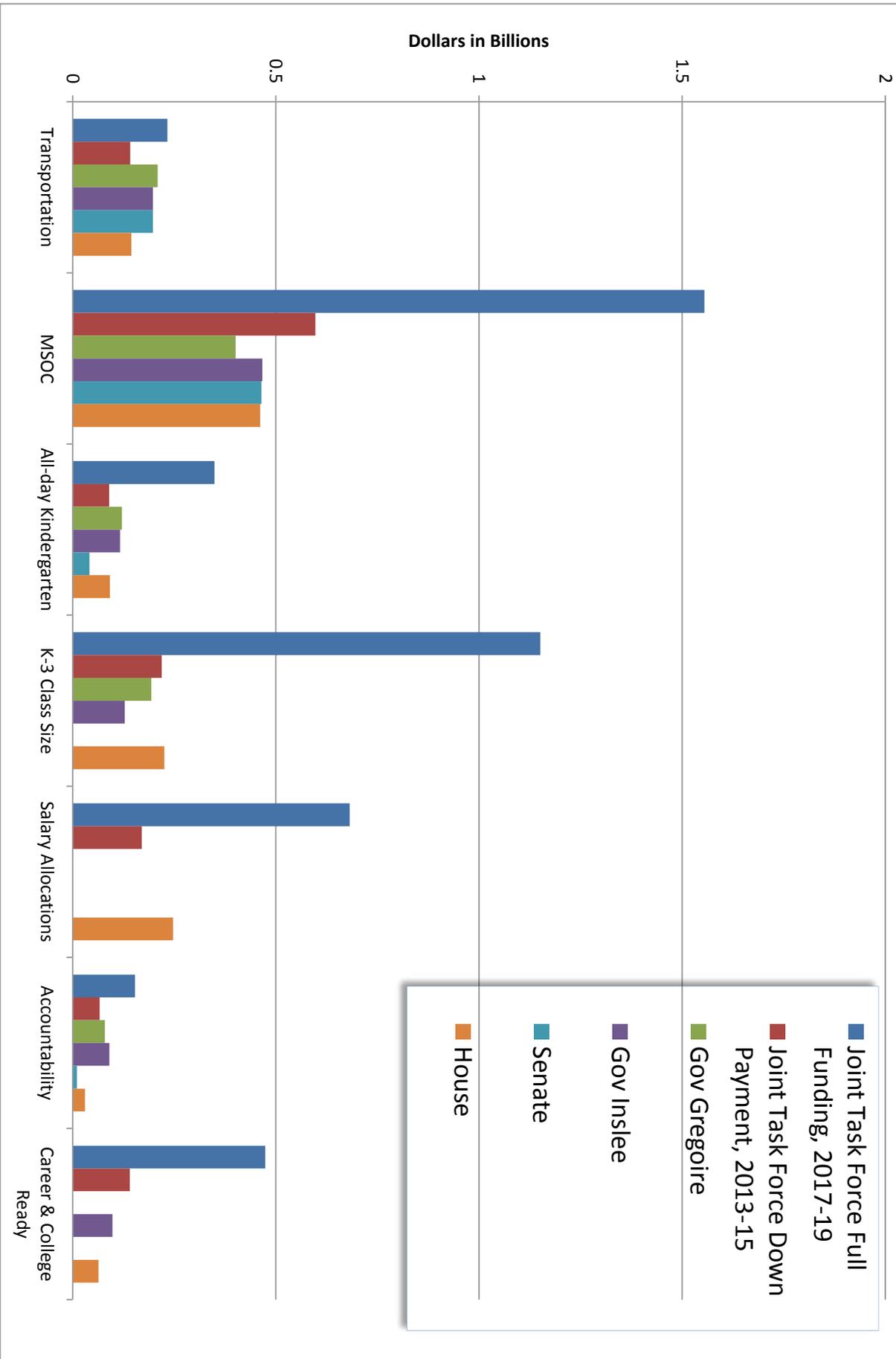
The Administrator for the Courts is also provided \$15.6 million for distribution to juvenile court administrators to fund the costs of processing truancy, children in need of services and at-risk youth petitions.

- 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.

- 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.
- 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. The House budget does not include new language added in the Senate budget requiring a review by the Joint Administrative Rules Review Committee.
- The State Board for Community & Technical Colleges is provided \$200,000 for the Aerospace Center of Excellence, hosted by Everett Community College. Among other things, the funding must be used to increase statewide communications and outreach between industry sectors, industry organizations, businesses, K–12 schools, colleges and universities.
- The Washington Student Achievement Council is provided with \$100,000 to develop an alternative financial aid application consistent with **HB 1817**, the Washington DREAM Act. This bill is presumed to be dead in the Senate; however, this language and funding essential makes the issue “necessary to implement the budget” and can be revived. Additional language in the budget clarifies that “undocumented students,” which meet specific criteria, are eligible for Washington State Need Grants.

Basic Education Down Payment Proposals vs. Joint Task Force Full Funding Plan



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AEA

By Mitch Denning

This has been an eventful week for AEA as the House released their 2013–15 operating budget and both houses released their 2013–15 capital budgets. AEA supports the direction that Rep. Hunter's budget is taking in making a solid down payment on funding called for in *McCleary* on all four major components of HB 2776, according to the timeline approved by the Legislature in 2010. The full funding of pupil transportation by the 2014–15 school year and MSOC by the 2015–16 school year, both support local districts' efforts to deliver these basic education services. Their funding plan also gives districts flexibility to use their levy dollars in all-day kindergarten and lowering K–3 class size. Hunter's budget timeline would fund those two needed classroom enhancements by the 2017–18 school year.

We are also pleased full school nutrition funding was maintained in the House operating budget. Both houses' budgets maintain this funding.

On the capital side, we're support the funding of the maintenance level of projects in the School Construction Assistance Program, although we feel the Legislature should consider enhancements, based on the actual costs per square foot of new and remodeled construction. We support the energy grant funding (\$15 million) in the House capital budget, yet are a little concerned that the Small School Repair Program was not funded in either budget. Governor Gregorie's proposed capital budget funded the very successful program at \$10 million.

At the same time, we have shared with over 50 key legislators this session, the importance of the Small School Repair Program, and all of them have individually felt that the program has been worthwhile.

We'll continue to watch the budget and K–12 policy process throughout the remainder of this session, as we believe, the Legislature will make a significant down payment on the eventual full funding of basic education as per the *McCleary* decision.

Pensions and Health Benefits

By John Kvamme

The Proposed House Operation Budget was somewhat similar to the Governor's budget framework and the Senate budget. In the areas of pensions, like the Senate, it satisfies the recommendation of the Pension Funding Council and State Actuary in keeping up with Plan 2 and 3 costs and continues the slow progress of paying off the unfunded liability of TRS and PERS Plan 1. The contribution rate increases of about 2 percent does financially hit the district's locally and federally funded staff costs and has a relative small cost (.27 percent – TRS and .55 percent – SERS) to all Plan 2 members in deductions to their compensation.

The House Proposed ESSB 5034 does little in the area of implementing parts of the Affordable Care Act (ACA) within K–12 health benefits. The Senate endeavors to get an early start on having state and K–12 employees and the PEBB and school districts begin the implementation of elements of the ACA especially as it could impact part-time classified employees. The Senate's version of the budget has language concerning this issue, however is not very clear as to its implementation. On April 10 Senators Hill and Hargrove introduced a proposed substitute to SB 5905, Employee Eligibility, and had a hearing the same day. This proposed substitute endeavored to put into statute the proposed changes to both the PEBB and K–12 as it relates to the ACA. At the hearing stakeholders from both the state and K–12 employees testified in opposition to the bill. The major concern expressed was that it is too early to set state policy when federal direction continues to be adjusted and the Washington State Exchange is just getting off the ground this fall with the start of January 1, 2014. There is

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continued

also a need for employees, the PEBB and districts to have adequate time to receive education regarding ACA requirements and options.

On Thursday evening the Senate Ways & Means Committee took executive action on SSB 5905 (Employee Eligibility) and passed it out of committee with a “do pass” recommendation. Three amendments were added to the bill, one directing the HCA to implement a two year outreach and education program for part-time employees regarding plans and subsidies available through the exchange. This bill will be one of several bills connected to the budget discussions between the House and the Senate.

ESSB 5034, Operating Budget for 2013–15 House and Senate Comparison:

Pensions:

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

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

Senate Budget Only – SSB 5851: Defined Contribution Option Plan (401K) is included—savings of \$2.3 million 2013–15 if this bill our association opposes does pass the full legislature.

Health Benefits:

Health Benefits Allocation

Current – \$768 per month	Senate: 2013–14 - \$763	2014–15 - \$764
	House: 2013–14 - \$768	2014–15 - \$768

Remittance

Current – \$65.17	Senate: 2013–14 - \$60.17	2014–15 - \$61.00
	House: 2013–14 - \$64.40	2014–15 - \$70.39

Medicare Retiree Subsidy Per Month

The current rate is \$150 per month. Both the House and Senate continue to fund \$150 per month for 2013–14 & 2014–15, however in the House budget there is a reduction down to \$100 based on a years of service formula. If a member exceeds \$80 per service year (\$2400 for 30 years service) the rate is \$100 in 2014 and \$110 in 2015.

Senate Budget Only: Part-time K–12 Classified Staff Served by the Exchange

The Senate has put in \$87 million of savings to GF-State by reducing insurance allocations for income eligible part-time K–12 employees by aligning them with the Federal Affordable Care Act’s Washington Health Benefit Exchange premium costs beginning January 1, 2014. (See more in the earlier part of this article and see SSB 5905 Employee Eligibility.)

We continue to be concerned with Senator Bailey’s SSB 5851 (optional 401K bill) that could become an issue bargained between the Senate and House through a budget settlement.

Additional information on introduced pension bills and anticipated pension bills can be found in this session’s “Retirement and Health Benefit Bill Watch” found on our association’s [website](#).

Legislative Resources

Committee Meeting Schedule

Legislative Committees Meetings are scheduled to be held at the following times but are subject to change.

Up-to-date meeting schedules and agendas are available on the [State Legislature website](#).

Mondays

1:30–3:25 p.m.
Senate Early Learning & K–12 Education
Senate Hearing Room 4

3:30–5:30 p.m.
House Appropriations
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Tuesdays

1:30–3:25 p.m.
House Education
House Hearing Room A

3:30–5:30 p.m.
House Appropriations
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Wednesdays

1:30–3:25 a.m.
Senate Early Learning & K–12 Education
Senate Hearing Room 4

3:30–5:30 p.m.
House Appropriations Subcommittee
on Education
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Thursdays

8–9:55 a.m.
House Education
House Hearing Room A

3:30–5:30 p.m.
House Appropriations
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Fridays

8:00–9:25 a.m.
Senate Early Learning & K–12 Education
Senate Hearing Room 4

1:30–3:25 p.m.
House Education
House Hearing Room A

Useful Links

Washington State Government
<http://www.access.wa.gov>

State Legislature
<http://www.leg.wa.gov>

Senate
<http://www.leg.wa.gov/Senate>

House of Representatives
<http://www.leg.wa.gov/House>

Legislative Committees
<http://www.leg.wa.gov/legislature/pages/committeelisting.aspx>

Legislative Schedules
<http://www.leg.wa.gov/legislature/pages/calendar.aspx>

Office of the Governor
<http://www.governor.wa.gov>

OSPI
<http://www.k12.wa.us>

TVW
<http://www.tvw.org>

Session Cutoff Calendar

January 14, 2013

First Day of Session.

February 22, 2013

Last day to read in committee reports in house of origin, except House fiscal, Senate Ways & Means, and Transportation committees.

March 1, 2013

Last day to read in committee reports from House fiscal, Senate Ways & Means, and Transportation committees in house of origin.

March 13, 2013

Last day to consider bills in house of origin (5 p.m.).

April 3, 2013

Last day to read in committee reports from opposite house, except House fiscal, Senate Ways & Means, and Transportation committees.

April 9, 2013

Last day to read in opposite house committee reports from House fiscal, Senate Ways & Means, and Transportation committees.

April 17, 2013*

Last day to consider opposite house bills (5 p.m.) (except initiatives and alternatives to initiatives, budgets and matters necessary to implement budgets, differences between the houses, and matters incident to the interim and closing of the session).

April 28, 2013

Last day allowed for regular session under state constitution.

*After the 94th day, only initiatives, alternatives to initiatives, budgets and matters necessary to implement budgets, messages pertaining to amendments, differences between the houses, and matters incident to the interim and closing of the session may be considered.

Bill Watch

TWIO tracks critical education bills each week as they are introduced. Detailed bill information can be accessed by clicking on the bill number. The following is a list of bills of highest interest to school administrators that remain alive—or may be considered “necessary to implement the budget.” Bills that were previously on this list, but are now technically dead, have been moved to our comprehensive bill watch list that is located on the [WASA website](#).

Bill #	Title	Status	Prime
HB 1057	Making 2013–2015 operating appropriations.	H Approps	Hunter
HB 1058	Making 2013 supplemental operating appropriations.	H Approps	Hunter
SHB 1076	Expanding participation in innovation academy cooperatives.	S Rules 2	Haigh
HB 1088	Concerning state general obligation bonds and related accounts.	H Cap Budget	Dunshee
HB 1089	Adopting the 2013–2015 capital budget.	H Cap Budget	Dunshee
E2SHB 1134	Authorizing state-tribal education compact schools.	S Rules 2	McCoy
SHB 1144	Regarding qualifications for educational interpreters.	S 2nd Reading	Dahlquist
HB 1173	Regarding the financial education public-private partnership.	S Rules 2G	Santos
HB 1178	Authorizing alternative assessments of basic skills for teacher certification.	S 2nd Reading	Lytton
ESHB 1252	Establishing the Washington K–12 online professional development project.	S Ways & Means	Stonier
SHB 1298	Implementing the recommendations of the sunshine committee.	S Rules 2	Springer
ESHB 1336	Increasing the capacity of school districts to recognize and respond to troubled youth.	S Rules 2G	Orwall
SHB 1397	Adding a requirement to sexual health education to include elements of and consequences for conviction of sexual offenses where the victim is a minor.	S Rules 2	Orcutt
ESHB 1412	Making community service a high school graduation requirement.	S Rules 2G	Bergquist
SHB 1418	Regarding hours of availability of cities, towns, and special purpose districts for inspection and copying of public records.	S Rules 2	Hunt
SHB 1472	Providing initiatives to improve and expand access to computer science education.	S Rules 2	Hansen
SHB 1541	Expanding the types of medications that a public or private school employee may administer to include nasal spray.	S Rules 2G	Klippert
SHB 1556	Creating initiatives in high schools to save lives in the event of cardiac arrest.	S 2nd Reading	Van De Wege
ESHB 1633	Modifying school district bidding requirements for improvement and repair projects.	S 2nd Reading	Magendanz
2SHB 1642	Establishing policies to support academic acceleration for high school students.	S Rules 2	Pettigrew
ESHB 1688	Establishing a requirement and system for reporting incidents of student restraint and isolation in public schools.	S Rules 2	Stonier
HB 1790	Concerning the use of traffic school fees.	S 2nd Reading	Parker
SHB 1812	Extending the time frame for making expenditures under the urban school turnaround initiative.	S Rules 2	Haigh

HB 1920	Preserving funding deposited into the education legacy trust account used to support common schools and access to higher education by restoring the application of the Washington estate and transfer tax to certain property transfers.	H Rules R	Ormsby
HB 2003	Relating to fiscal matters.	H Approps	Hunter
HB 2004	Relating to fiscal matters.	H Approps	Hunter
HB 2012	Relating to education.	H Approps	Hunter
HB 2013	Relating to education.	H Approps	Hunter
HB 2014	Relating to revenue.	H Finance	Hunter
HB 2015	Relating to revenue.	H Finance	Hunter
HB 2024	Concerning legal proceedings by the attorney general on behalf of state officers.	H Rules R	Pedersen
SB 5033	Making 2013 supplemental operating appropriations.	S Ways & Means	Hill
ESSB 5034	Making 2013–2015 operating appropriations.	H Approps	Hill
SB 5035	Adopting the 2013–2015 capital budget.	S Ways & Means	Honeyford
SB 5036	Concerning state general obligation bonds and related accounts.	S Ways & Means	Honeyford
ESB 5104	Placing epinephrine autoinjectors in schools.	H Rules R	Mullet
SB 5114	Regarding access to K–12 campuses for occupational or educational information.	H Passed 3rd	Bailey
SB 5132	Concerning the disclosure of estimated debt service costs.	H Approps	Honeyford
SSB 5180	Improving access to higher education for students with disabilities.	H 2nd Reading	Shin
SB 5194	Reducing educational employee cost-of-living adjustments and bonuses.	S Ways & Means	Honeyford
2SSB 5197	Requiring additional safety features in school construction and remodeling.	H 2nd Reading	Dammeier
SB 5198	Exempting personal information relating to children from public inspection and copying.	H Rules R	Darneille
E2SSB 5237	Establishing accountability for student performance in third grade.	H Rules R	Dammeier
SSB 5242	Requiring policies regarding assignment of certificated instructional staff.	H Education	Litzow
E2SSB 5243	Establishing policies to support academic acceleration for high school students.	H Approps	Litzow
E2SSB 5244	Regarding school suspensions and expulsions.	H Rules R	Litzow
ESSB 5328	Creating a school-grading program that relies on the accountability index.	H Education	Litzow
E2SSB 5329	Creating the state superintendent school district.	H Rules R	Litzow
E2SSB 5330	Improving student achievement and student outcomes.	H Approps	Hargrove
SSB 5445	Funding capital projects.	H Cap Budget	Honeyford
ESSB 5491	Establishing statewide indicators of educational health.	H Rules R	McAuliffe
SB 5496	Authorizing approval of online school programs in private schools.	H 2nd Reading	Braun

ESSB 5563	Regarding training for school employees in the prevention of sexual abuse.	S Pres Signed	Kohl-Welles
ESSB 5587	Concerning student assessments.	H Education	Litzow
ESB 5620	Changing school safety-related drills.	S Pres Signed	King
2SSB 5624	Aligning high-demand secondary STEM or career and technical education programs with applied baccalaureate programs.	H 2nd Reading	McAuliffe
2ESB 5701	Authorizing the suspension or revocation of certificates or permits to teach based on the fraudulent submission of tests for educators.	H 2nd Reading	Brown
ESSB 5709	Concerning a pilot program to demonstrate the feasibility of using densified biomass to heat public schools.	H 2nd Reading	Smith
ESSB 5753	Providing flexibility in the education system.	H Rules R	Hobbs
SSB 5754	Concerning integrated career learning opportunities and employment training for at-risk youth.	H Approps	Litzow
2SSB 5794	Concerning alternative learning experience courses.	H Approps	Dammeier
SB 5852	Improving student achievement and student outcomes.	S Ways & Means	Litzow
SB 5870	Relating to fiscal matters.	S Ways & Means	Hill
SB 5871	Relating to fiscal matters.	S Ways & Means	Hill
SB 5879	Relating to education.	S Ways & Means	Hill
SB 5880	Relating to education.	S Ways & Means	Hill
SB 5881	Relating to revenue.	S Ways & Means	Hill
SB 5882	Relating to revenue.	S Ways & Means	Hill
SB 5885	Concerning instruction in Spanish and Chinese languages.	S EL/K-12	Roach
SSB 5895	Funding education.	S 2nd Reading	Hill
SB 5898	Increasing education funding, including adjusting school district levy and state levy equalization provisions.	S Ways & Means	Hill
SB 5901	Providing education reforms.	S Ways & Means	Litzow
SB 5905	Establishing state employee eligibility for insurance benefits consistent with the employer shared responsibility provisions of the patient protection and affordable care act.	S Ways & Means	Hill

