

## **FAQ...**

### ***Regarding a proposed short-term solution to school funding for districts most negatively impacted by legislative changes***

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#### **Introduction**

Changes to the way schools are funded in Washington were implemented by the Washington Legislature following the State Supreme Court's "McCleary" decision. The changes to school funding are complex and the state's effort to adequately fund education has both come up short and caused inequities among school districts across the state.

In response, the Washington Association of School Administrators (WASA) convened a workgroup to develop proposed short-term solutions for consideration by the Washington state Legislature. This FAQ provides answers to some of the questions you may have about the proposal.

**Q: The Legislature put \$7.3 billion dollars into the state's K-12 system to satisfy the 2016 Supreme Court ruling that basic education was not being fully funded, as required in the state's constitution. If this is the case, why are districts losing money?**

*A: Despite overall increases in state funding for education, losses are being incurred by districts primarily because under the legislative changes, local levies were reduced by \$1.1 billion. Additionally, many districts are receiving less levy equalization funding from the state and less additional state funds to compensate long-serving teachers. Combined, these factors have resulted in the need for many school districts to dip deep into their reserves, and consider cuts to staff and programming to maintain financial viability. (An infographic explaining the funding situation can be found at [www.esd112.org/schoolfunding](http://www.esd112.org/schoolfunding))*

**Q: How many districts in the state are negatively impact by the McCleary fix?**

*A: For approximately one-third of districts throughout the state (93), the loss of local levy funding was greater than the gain of the new basic education operating revenue, leaving many facing significant budget shortfalls. The reductions to local levies cut too much out of district's general operating budgets without supplying adequate state funding to replace the local losses. In addition to the 93 districts incurring losses under the new structure, another 22 received a negligible increase in funding under the new structure.*

**Q: A "hold harmless" provision in legislative language (E2SSB 6362) includes language that is designed to protect districts from losing funding under the new model. Doesn't that provision protect districts from losing funding?**

*A: The "hold harmless" provision of Senate Bill 6362, section 401, states districts are not intended to lose money under the current funding structure and are eligible to receive additional state funds if they qualify for specific subsection criteria. While this is*

*a good start, the “hold harmless” provision only provided relief to a handful of large districts. While the hold harmless provision was well intended, the WASA workgroup’s research confirms that the 93 school districts - representing large, medium and small districts - are incurring funding losses as a result of changes to the way the state funds education. That translates to about one third of the school districts in the state that were negatively impacted by the legislative changes. Further, another 22 districts saw only negligible funding increases under the new structure.*

**Q: What is the WASA workgroup proposed solution to the Legislature?**

*A: The WASA workgroup spent significant time researching and drafting a solution, meant to serve as a short-term bridge to a future legislative funding fix. This short-term solution provides the most realistic and cost-effective approach for the legislature to address the hold harmless provision. The short-term solution proposes:*

- An increase in state funding for a total of 93 districts that are negatively impacted by legislative changes in order to get them to a financial break-even point*
- An increase in basic education operating revenue based on the Annual Implicit Price Deflator (IPD), which accounts for inflation, for another 22 districts*
- Expansion of the teacher “experience factor” eligibility criteria to include school districts that exceed the statewide average for years of experience by 15%.*

*Note: In order to promote equity and consistency, the workgroup is proposing that the “hold harmless” provision for districts above and below 300 full time equivalent students be calculated separately. For districts with more than 300 full time equivalent students, the “hold harmless” criteria would be calculated on a per student basis; for districts with under 300 full time equivalent students, it would be calculated on a net revenue basis.*

**Q: Does the WASA workgroup’s proposal effectively address the hold harmless provision for all impacted districts?**

*A: This funding increase solution would apply to a total of 115 school districts in the state of Washington (93 of which lost funding and another 22 of which received marginal support above the break-even point). Of those 115 districts, 93 of the districts would be “held harmless” and brought back to a break-even point. The additional 22 districts would also receive IPD funding because under the new funding structure, these districts were only marginally above the break-even point when comparing the 2019-2020 school year to the 2017-2018 school year.*

**Q: Is the teacher “experience factor,” which also causes inequities among districts, included in the workgroup’s proposed solution?**

*A: Yes. The workgroup’s short term solution calls for expansion of the state’s “experience factor” eligibility criteria to include school districts that exceed the statewide average for teacher years of experience by 15%.*

*The previous state teacher experience funding allocation model recognized that professional educator staff are funded by the state on the basis of education and experience. However, the current funding structure utilizes a one-size-fits all teacher funding allocation which only provides state funding at \$65,216 per teacher, regardless of their education or years of experience. This results in only a portion of the salaries of more experienced teachers, with higher earnings, being funded by the state, leaving districts to bridge the funding gap on their own.*

**Q: How much would the workgroup's proposal cost the state?**

*A: The proposed solution would cost approximately \$107 million to fund the "hold harmless" and IPD portions of the solution. It would cost another \$16 million to fund the increase in teacher "experience factor" for a total cost of \$123 million. The workgroup is proposing what they believe is the most cost-effective solution for districts that are most negatively impacted by the new legislation.*

**Q: Where can I get a list of the 115 school districts that are included in this solution?**

**A:** Here are the affected districts:

- Aberdeen
- Almira
- Asotin-Anatone
- Battle Ground
- Benge
- Bethel
- Carbonado
- Cashmere
- Centerville
- Central Valley
- Chehalis
- Cheney
- Clarkston
- Colfax
- Colton
- Columbia (Stev)
- Columbia (Walla)
- Colville
- Conway
- Cosmopolis
- Creston
- Damman
- Darrington
- Davenport

- Dieringer
- Dixie
- East Valley
- Easton
- Eatonville
- Ellensburg
- Elma
- Endicott
- Entiat
- Ephrata
- Ferndale
- Finley
- Franklin Pierce
- Freeman
- Glenwood
- Goldendale
- Grand Coulee Dam
- Great Northern
- Green Mountain
- Griffin
- Harrington
- Hockinson
- Hood Canal
- Hoquiam
- Kettle Falls
- Kiona Benton
- Klickitat
- Lacrosse Joint
- Lamont
- Liberty
- Longview
- Lyle
- Marysville
- Mc Cleary
- Mead
- Montesano
- Moses Lake
- Mount Baker
- Naches Valley
- Nine Mile Falls
- Nooksack Valley
- North Thurston
- Oakesdale
- Ocosta

- Odessa
- Olympia
- Onion Creek
- Orient
- Orondo
- Palouse
- Pateros
- Pe Ell
- Port Angeles
- Prosser
- Puyallup
- Queets-Clearwater
- Quinault
- Rainier
- Reardan
- Ritzville
- Riverside
- Rochester
- Rosalia
- Satsop
- Shelton
- Southside
- Spokane
- Sprague
- Starbuck
- Steptoe
- Stevenson-Carson
- Tacoma
- Tekoa
- Tenino
- Touchet
- Toutle Lake
- Tukwila
- Tumwater
- Wahkiakum
- Waitsburg
- Walla Walla
- Washtucna
- Waterville
- West Valley (Spo)
- White River
- White Salmon
- Wilbur
- Willapa Valley

- Wilson Creek
- Wishkah Valley
- Yelm

**Q: Where can I get more information about this topic?**

*A: More detailed information can be accessed on WASA's website at <https://www.wasa-oly.org/>*