

“It is the paramount duty of the state to make ample provision for the education of all children residing within its borders...”

—Article IX, Section 1, Washington State Constitution

School administrators acknowledge the Legislature’s efforts to fully fund basic education, including the provision of significant additional funding in the last ten years. Nevertheless, funding for major components of basic education continue to be dramatically underfunded. School administrators are committed to ensuring each and every student is provided with equitable learning environments where they can learn and achieve their educational goals and aspirations. In pursuit of that commitment, WASA urges the 2026 Legislature to address the following priorities:

Materials, Supplies, and Operating Costs (MSOC)

The 2026 Legislature must immediately increase MSOC allocations—including additional support for small school districts with unique needs—to more closely match the costs of running a school district. The Legislature’s per pupil allocation to cover school districts’ non-staff related costs, including utilities, insurance, curriculum, and technology, has not kept pace with inflation or the actual costs of running a school district; these costs are increasing through no fault of school districts, superintendents or school boards and their decisions. We appreciate the \$80 million increase in per pupil allocations provided in the 2025–27 Operating Budget; however, entering the 2025 session, our unmet need was over a \$1.0 Billion. When required costs of running a school district exceed state funding, local revenues, mostly levies, must be used to fill the gap, reducing local resources for school district and community expectations.

Special Education

The 2026 Legislature must immediately complete the job of fully funding the cost of special education services. School districts have a legal obligation to serve all students with disabilities in Washington, regardless of cost of services. Entering the 2025 session, the statewide funding deficit for school districts was over \$1.0 Billion and the Legislature’s provision of additional funding for special education in the 2025–27 Operating Budget is appreciated. The downpayment of \$300 million will assist districts in meeting their legal obligations to serve some of our most vulnerable students; however, special education remains significantly underfunded. This gap requires districts to continue to use local funding sources, including local levies, to cover necessary costs.

Pupil Transportation

The 2026 Legislature must promptly fulfill its obligation to comprehensively fix the pupil transportation formula to ensure it is more transparent, predictable, and adequately funded. The current Student Transportation Allocation Reporting System (STARS) formula consistently underfunds districts’ actual pupil transportation expenditures. The STARS formula cannot forecast allocations with credible accuracy, calculates a final allocation in February which complicates budget decisions for school districts and the Legislature, and uses an efficiency rating that is detrimental to efficient districts because they are at risk of less funding in the model. The 2025 Legislature failed to adopt any policy reform; it is time for the Legislature to finally address the inadequate funding of Pupil Transportation.

K–12 Ample and Equitable Finance System

We call on the 2026 Legislature to immediately convene a stakeholder Workgroup to fully review the adequacy of our current funding structure, ensuring ample and equitable funding of school districts. The Legislature made significant changes to the K–12 finance system in response to the 2012 *McCleary* decision, including adding substantial funding in 2018–19. However, many school districts are struggling financially, and inequities between districts continue to grow. Proposed Workgroup recommendations would address changes to the Prototypical School Funding Model, salary allocations, Regionalization and Experience Factors, and equitable reforms addressing local school district levies and Local Effort Assistance.

School administrators will focus their advocacy efforts in the 2026 Legislative Session on the full funding of basic education—specifically Materials, Supplies, and Operating Costs (MSOC), Special Education, and Pupil Transportation.

As school districts face increasing financial difficulties, however, school administrators have ongoing concerns about the state’s K–12 funding structure that must be addressed. These issues must continue to remain on legislators’ radar:

Fully Fund Substitute Costs

WASA urges the Legislature to fully fund the costs associated with required staff leave. Current law requires school districts to provide a minimum of ten days of leave for both classified and certificated staff. However, the state only provides funding for certificated teacher substitutes for 4 days per basic education-funded teacher FTE at a rate of \$151.86 per day, which equates to approximately \$16 per hour; no funding is provided for classified substitutes. This leaves a significant gap in covering the actual cost of substitutes, forcing districts to use local levy funds or other resources to meet this shortfall. In addition, school districts are also required to provide sick leave to substitutes under state law, further increasing the financial burden on districts without additional funding from the state.

Update Staff Allocations

WASA urges the Legislature to continue to provide for more realistic staffing ratios in the Prototypical School Funding Model (PSFM). The Prototypical School Funding Model is a core, fundamental part of the education funding structure. The funding ratios for most staff positions, however, have remained the same since the Model was first implemented in 2010, resulting in outdated and unrealistic state-funded staffing levels. The first priority must be the completion of implementation of Phase I of the recommendations from the Staffing Enrichment Workgroup (2019): improving staffing allocations for critically needed school principals; providing additional professional development to close achievement gaps; and adding continuous improvement coaches as an enhancement to the PSFM.

Modify Regionalization/Experience Factor

WASA urges the Legislature to immediately revamp the methodology of regionalization and experience factors to ensure school districts receive more consistent and equitable resources. The current regionalization methodology of using housing costs is flawed and the implementation of experience factors is unsound. The current calculation of these factors has exacerbated inequities between districts and must be updated swiftly.

Reform Levy/Local Effort Assistance

Inequities between districts were exacerbated by capping levy authority of property rich districts at a higher level than neighboring property poor districts—while diminishing levy capacity for all districts at the same time. Spiking housing values are negatively impacting many districts’ efforts to adopt levies and are causing many districts eligible for Local Effort Assistance (LEA) to lose funding—or lose eligibility all together.

Support Capital Facilities

WASA urges the Legislature to provide robust and reliable funding for school facilities, including funding for school districts that have difficulty passing local bonds or have limited debt capacity to support necessary new construction or modernization. The Legislature must enhance the state’s investment in K–12 construction by updating the antiquated, pre–1980 funding formulas to ensure funding more closely reflects actual construction costs and educational space needs. Additionally, the Legislature must finally give Washington’s citizens the opportunity to decide whether school district bond issues should be approved with a simple majority vote.