

2018 LEGISLATIVE REPORT

A PUBLICATION OF THE WASHINGTON ASSOCIATION OF SCHOOL ADMINISTRATORS

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2018 Session Overview

Dan Steele, Assistant Executive Director, Government Relations, WASA

2017: A Refresher

Last year, legislators convened the 2017 Legislative Session with the *McCleary* deadline hanging over their heads. The Supreme Court’s *McCleary* decision, directing the Legislature to amply fund basic education as required by the state constitution, was handed down in January 2012. In that initial ruling, the Court ordered the Legislature to comply with the constitution’s “paramount duty” provision by 2018; however, it was not until late–2016, that the ultimate *McCleary* deadline was clarified.

After a series of fits and starts following the 2012 ruling, the Legislature finally buckled down in 2016, and made a concerted effort to enact a Court-ordered education funding plan to comply with *McCleary*. Ultimately, E2SSB 6195 was adopted, with legislators claiming the bill embodied the required *McCleary* plan. In reality, the bill was more of a “plan to plan,” requiring further study, instead of a proposal that established any specific plan. The law established a new Education Funding Task Force and charged them with providing a series of recommendations to implement the state’s program of basic education. Recommendations from the Task Force, along with supporting legislation, were to be submitted to the Legislature by the first day of the 2017 session.

In May of 2016, the Legislature submitted its required post-budget *McCleary* compliance report to the Supreme Court and declared, “The State has complied with the Court’s Orders to submit a plan for achieving compliance with Article IX, Section 1 of the Washington Constitution.” After calling the parties together for oral arguments, the Court released a new Order. The Court stated that E2SSB 6195’s “call for further study and recommendations does not constitute a plan demonstrating how the State will meet its constitutional obligation.” The Court ordered that the contempt order against the state (ordered in 2014) and the \$100,000 per day sanctions (imposed in 2015) continue until a “complete legislative plan demonstrating how [the State] will fully comply” with the constitutional paramount duty is adopted.

The Court also defined the “2018” deadline to fully comply with the Court’s decision. Justices clarified: “The State has until September 1, 2018, to fully implement its program of basic education.” They further clarified that, while

September 1, 2018, is the ultimate deadline, the remaining details of the basic education program “must be in place by the final adjournment of the 2017 Legislative Session.” Those details were required to include “funding sources and the necessary appropriations for the 2017–19 biennium.” This set the stage for 2017, to be the Year of *McCleary*, as the 2017 session was the Legislature’s last opportunity to solve the *McCleary* problem.

The Education Funding Task Force met from April to December 2016, in order to craft recommendations for the long-sought education funding plan. When the time came to present and adopt those recommendations, however, partisan bickering prevented the group from agreeing to any recommendations—or even a final report.

The Education Funding Task Force continued to meet throughout the 2017 session, but agreement proved to be difficult. And it was frustrating for educators. Not just that the Legislature waited until the last minute to implement necessary funding and finance changes to comply with the Court’s 2012 *McCleary* decision, but also because superintendents and business managers were shut out of the process. Eight legislators were locked in a room negotiating a once-in-a-generation overhaul of K–12 education and rejected any assistance from education experts (our members who are in the trenches, understand the system and can address the challenges). Just to be fair (I guess), we were not the only ones excluded; the Task Force even kept their colleagues and their staff (both non-partisan and partisan) in the dark.

It was not until the Legislature blew through the 105-day session deadline and the State was on the brink of going over the fiscal cliff (midnight June 30) that a final bill was released. The long-awaited *McCleary* Education Funding Plan, embodied in EHB 2242 was unveiled less than 24 hours before it was brought to the floor of the House and Senate to be voted upon, not allowing any chance for review or amendment. The result of closed-door meetings and a last second rush to adopt the bill was a piece of legislation that includes a series of inconsistencies, unanswered questions, and errors.

In late July, the Legislature submitted its required *McCleary* progress report to the Court and declared that the newly adopted budget (SSB 5883) and Education Funding Plan (EHB 2242) fulfilled the constitutional obligation ordered by the Court. They stated all components of basic education established in ESHB 2261 (2009) and SHB 2776 (2010) are fully funded; state funding of basic education salaries are fully funded; and newly adopted statutory provisions ensure local levies are not used on the program of basic education.

Following another round of oral arguments in October, the Court quickly responded. On November 15, Justices declared that the State “has satisfied the Court’s mandate to fully fund the program of basic education” as established by ESHB 2261 and SHB 2776—except for staff salaries. They went on to clarify, “the Court is satisfied that the new salary model established by EHB 2242 provides for full State funding of basic education salaries sufficient to recruit and retain

competent teachers, administrators, and staff.” They noted, however, EHB 2242 and the budget fall short in fully funding salary increases by the 2018–19 school year, as ordered by the Court. The Court continued to retain jurisdiction in the case, maintained the contempt order, and continued to levy the \$100,000 per day sanction “with the expectation that the State will enact measures to achieve full compliance during the regular 2018 Legislative Session.”

In short, the Legislature was required to provide approximately \$1.0 billion in a 2018 Supplemental Operating Budget for additional basic education salaries to fully comply with the Court’s directive.

During the 2017 Session, there was an overwhelming focus on a *McCleary* Education Funding Plan—ultimately adopted in EHB 2242. There were other pressing issues as well. One major issue that failed to be completed was the 2017–19 Capital Construction Budget. Due to a huge partisan quarrel over water rights, the Capital Budget became a hostage. And for the first time in state history, the Legislature failed to adopt a two-year Capital Budget. (For details, see Capital Budget section, later in this Report.) Because of this dispute the Legislature continued to meet even after they adopted the 2017–19 Operating Budget and EHB 2242. They finally gave up hope of finalizing a capital plan and adjourned July 23 after a full Regular Session and three 30-day Special Sessions lasting a record-breaking 193 days.

2018 Session

Most of the K–12 education community, along with higher education, cities and counties, and the building and construction associations put a tremendous amount of pressure on legislators to quickly adopt a two-year capital plan. “Shovel-ready” projects across the state were stalled as they waited for funding to continue. Fortunately, a deal was in-hand within two weeks of the new session. This was a relief to the many school districts (and other entities) that were anxious to begin or resume construction projects, but it also freed up energy and focus to move onto other pressing issues.

For WASA, the Local Funding Work Group, and most of the education community, the major pressing issue was an update to EHB 2242, the *McCleary* Education Funding Plan, adopted by the Legislature in June. While we were pleased the Legislature, after years of stalling, finally adopted a Court-required funding plan, the details contained in that plan were troubling. After months of analyzing EHB 2242, it was clear (as noted above) the legislation included a series of inconsistencies, unanswered questions, and errors. The focal point of WASA’s 2018 Legislative Platform and our advocacy efforts was to “fix” the highest priority deficiencies of the plan that were necessary to effectively implement the bill: (1) special education funding, (2) salary allocations and a state salary schedule, (3) levy authority and Local Effort Assistance, and (4) regionalization methodology.

The Legislature adopted a “fix” bill, E2SSB 6362, with some positive outcomes, along with some missed opportunities. (For a full review of the bill, see “the Special Focus: *McCleary* Education Funding Plan Update,” later in this Report.) Here’s how our priorities fared:

- **Special Education Funding.** WASA joined most of the education community in supporting Superintendent Reykdal’s budget request to increase per pupil funding in special education, via the excess cost multiplier, from the current 0.9309 to 1.09. The governor’s budget would have made no change to the multiplier; instead, he requested the Special Education Safety Net threshold be lowered. His argument for rejecting the entire education community’s request was that he did not want to “over fix” the problem. The Senate supported a change to the multiplier, but like the governor, they did not want to “over fix” the problem and supported a minimal increase to 0.9609. At the same time, however, the Senate advocated for a reduction in the Special Education Safety Net—not the threshold, but the actual funding provided for the Safety Net. The House also supported an increase in the multiplier (without a reduction in the Safety Net) and moved a bit higher than the Senate to 0.975. The House quickly backed off that increase, however.

The final budget and E2SSB 6362 provide for an increased multiplier, to 0.9609—with no change in the Safety Net.

- **Salary Allocations & State Salary Schedule.** Support for the reinstatement of a simplified Salary Allocation Model (SAM) and the retention of some type of Staff Mix factor was overwhelmingly supported by the majority of the education community. This turned out to be an uphill battle from the start, but we kept pushing. The idea of returning to a statewide SAM was rejected out of hand and returning to Staff Mix was resisted. After much work—and advocacy from local administrators—we finally saw some minor cracks forming in all four Caucuses.

The Senate proposed a new Salary Safety Net, which would have provided districts with one-time salary funding (capped at two percent) in the 2018–19 school year if they could demonstrate a need for additional funding due to a high staff mix or lack of regionalization. The House proposed a four percent (ongoing) “Experience Factor” for school districts with higher than average experience and a higher ratio of advanced to bachelor’s degrees than the statewide ratio.

The final E2SSB 6362 provides for the four percent Experience Factor, which assists 56 school districts. Although the solution was not as broad-based as we hoped, it left the door open for further revisions next year.

- **Levy Authority & Local Effort Assistance.** When session started, there were multiple options to adjust the \$1.50 per \$1,000 AV or \$2,500 per student (whichever is lesser) levy policy adopted in EHB 2242. WASA’s request was to delay the implementation of the new policies and rather than rush to judgment with a new plan, take the time to discuss the issue

with administrators, business managers, and other educators and come up with a thoughtful solution.

The Senate rejected all of the options (including a delayed implementation) but understood the need to change the policy. SB 6362, as adopted by the Senate Early Learning & K–12 Education Committee and later the Senate Ways & Means Committee, included language stating, “the Legislature recognizes that modifications” to EHB 2242’s levy and LEA policies “are necessary.” The bill specifically clarified “It is the intent of the Legislature to take action to reform those policies in the 2018 legislative session.” We did not know how the reforms would look but could appreciate their willingness to continue discussions—that is, until that intent language was stripped out of the bill as it was proposed to the full Senate.

The House actually proposed a fix: capping levies at either \$1.50 per \$1,000 AV or \$2,500 per student (at the district’s option, rather than the lesser of). To be eligible for this option, however, a district would have to have received less than half in local levies and LEA (based on the lesser of \$2,500 per student or \$1.50 per \$1,000 AV) than it would have received under the law on January 1, 2017. This narrow eligibility criteria reduced the number of districts being assisted to around 30. Unfortunately, many of those 30 districts likely would not have utilized their new choice to increase levy capacity because it would have limited (or eliminated) their eligibility to receive LEA. The language became so controversial that it was feared the policy change could scuttle the entire bill. Ultimately, the new policy was stripped from the bill.

In the end, E2SSB 6362 makes NO change to EHB 2242’s levy or LEA policies. Many key legislators appear willing to continue to discuss the issue and attempt to make changes next session, but a solution in 2018, was not to be.

- **Regionalization Methodology.** Legislators generally understood their regionalization solution forced inequities and would likely pit districts against one another; however, little was offered in the way of a positive solution. Both the Senate and the House—and the final bill—provided for a minor regionalization adjustment. School districts that border another district with a regionalization factor at least one tercile higher receive six additional percentage points. Language also specifies that only districts “located west of the crest of the Cascade mountains” are eligible for this regionalization adjustment. Ironically, the eligibility criteria are so tight that no districts in Eastern Washington are even eligible. Why legislators felt it was necessary to slap Eastern Washington districts in the face is perplexing.

While we were pleased legislators understood their regionalization methodology was problematic, their solution was extremely narrow. Under the original EHB 2242, 93 districts receive a regionalization

factor. E2SSB 6362’s “regionalization edge adjustment” only impacts six school districts. Many legislators openly discussed the need to continue evaluating regionalization as currently implemented, but that discussion has ended for 2018, and will have to wait for a broader fix next session.

Editor’s Note:

My thanks to Helene Paroff, Andy Wolf, Mike Brophy (Legislation & Finance Committee Chair), Steve Webb (WASA President), Randy Russell (WASA President-elect), Fred Yancey (Pensions/Health Benefits Consultant), Mitch Denning (AEA), Melissa Gombosky (AESD), the ESD Superintendents, and members of WASA’s Legislation & Finance Committee (see page 100) for participating in the weekly conference calls, and to WASA members for participating in our advocacy efforts by reading *TWIO*, contacting legislators, testifying in Olympia, and engaging with your communities in support of Washington’s students and public schools. Together, we can make a difference!

A special thanks to WASA Executive Director Bill Keim—as he heads off into the sunset to enjoy a well-deserved retirement—for his consistent support, encouragement, and guidance to me, but also his leadership of the Association. His sage counsel will be missed. Happy Trails to you, Bill!

An additional thank you to our WASBO colleagues, Executive Director Brianne King and Legislative Affairs Committee Chair Linda McDermott. Thank you also to Stephen Nielsen for continuing to guide the important work of the Local Funding Work Group.

Last, but not least, thanks go to my WASA staff colleagues for their support, in particular Sheila Chard, for her faithful service, always positive and helpful attitude, never-ending support and friendship, and for making my job easier—and more fun.

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We had some success, but clearly would have had no success—or even an opportunity to succeed—if administrations had not continually engaged with legislators. Your contacts had an impact. In years past, we have heard complaints from legislators that they never hear from administrators (however untrue the claims may have been), but this year many legislators routinely included statements in debate such as “my superintendents told me…” or “administrators in my district are concerned…” or “business managers believe…”. Advocacy works. It just takes some effort.

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. Advocacy does not have to be hard—or intimidating. Contact your legislators now (and often) and continue to build good relationships with them. Establish trust and credibility so they will come to you for information and advice.

Give legislators a tour of your schools. Meet with them for coffee. Invite them to a meeting of your Board. Help legislators to understand the complexities of public education and your needs. As you begin to implement your districts’ budgets, 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 multi-billion dollar increase in basic education funding in recent years and an overhaul in the finance system hasn’t solved your problems.

Remember, 2018 is an election year; all 98 House seats and about half the Senate seats will be up for election this fall. We know there will be many new faces. At least twelve long-time incumbents have announced they will not run for re-election and will be leaving the Legislature—and competition will likely be fierce in many of the remaining races. Use this as an opportunity to showcase your schools’ and your students’ successes to the community—and to your legislators and legislative candidates.

Think about your education priorities and be prepared to voice your opinion and concerns during the election season. You deserve to know if legislative incumbents and challengers alike will support or oppose your priorities.

Finally, the general attitude among legislators is that “*McCleary* is finished.” In the coming months, it is likely the Supreme Court will relinquish jurisdiction in *McCleary* and terminate the case; however, much work remains to be done. Additional revisions to EHB 2242—and now “fixes” to E2SSB 6362—will be necessary. Many positive “first steps” in our long journey were taken in 2018. Now, we cannot sit back and assume necessary changes will just happen in

2019. School administrators must remain vigilant—and ramp up their advocacy activities. We hope that you will join with WASA—and our education association colleagues—as we raise our collective voices in unison to fight for our public schools!

Special Focus: *McCleary* Education Funding Plan Update (E2SSB 6362)

The 2018 Legislature adopted E2SSB 6362 as an update to its *McCleary* Education Funding Plan (EHB 2242) adopted last session to comply with the Supreme Court's 2012 *McCleary* decision. The bill provides a response to the Supreme Court's November 2017 Order, which required the Legislature to accelerate its salary allocation for educators to ensure the plan is "fully funded" by the Court's September 1, 2018, deadline. The bill also is a vehicle to provide a series of "fixes" and updates to EHB 2242.

The Background

In 2012, when the Supreme Court ruled in the *McCleary* decision that the State was failing to provide ample funding of its constitutional "paramount duty" and, in addition, was forcing an unconstitutional overreliance on school district levies, it set up a protracted fight over education funding—with an ultimate deadline of 2018. The *McCleary* case very closely mirrored the *Seattle School District* education funding case (resulting in the Doran decision) in the late 70's and Justices had a flash of déjà vu. Because the Court had been down this road before, Justices were reluctant to let the case go. They took the very unique step of retaining jurisdiction in the case to monitor the State's progress in solving its constitutional infirmity. As a part of the retention of jurisdiction, the Court Ordered annual compliance reports from the State following the adoption of each Operating Budget (both two-year and supplemental budgets) through 2018.

The State, via the Legislature's Article IX Litigation Committee and the Attorney General's Office, fulfilled its obligation and submitted annual reports. Each time, the Court responded with new or more detailed Orders. Following the State's initial report in the fall of 2012, the Court Ordered the State to set out its plan "for achieving the State's mandate to fully fund education."

The State's 2013 compliance report was silent on the Court's directive to submit a plan, so the Court Ordered it again. In 2014, the State's compliance report acknowledged the Legislature's failure to comply with the Court's 2012 and 2014 Orders; however, they provided a series of excuses why they were unable to comply. That fall, the Justices unanimously found the State to be in contempt; however, the State promised the Legislature would comply in the 2015 Session. The Court accepted the State's promise and delayed issuing any sanctions.

Of course, the 2015 Legislature failed to act. In responding to the Court, legislators essentially argued they knew better than the Court and to comply with its orders was not worth the time. The Court, however, had a different opinion and responded with a \$100,000 per day sanction until a complete plan was adopted.

Following the governor's convening of a "*McCleary* Workgroup" in August 2015, the Legislature stepped up—or at least attempted to do so. The Workgroup

recommended the 2016 Legislature establish a new Education Funding Task Force to conduct a study on the issue. The Legislature ultimately adopted E2SSB 6195, which set up a new Task Force and charged it with providing recommendations for the 2017 Session. While the education community mocked this effort as a “plan for a plan,” the State filed its compliance report with the Court and argued the bill comprised “the plan that complies with the Court’s Orders.”

Again, the Court disagreed. In an October 2016 Order, the Court unequivocally stated that E2SSB 6195’s “call for further study and recommendations does not constitute a plan for demonstrating how the State will meet its constitutional obligation.” The Court maintained the contempt order and the \$100,000 per day sanctions and specifically clarified the State’s deadline to fully implement its program of basic education and comply with the Court’s *McCleary* decision is September 1, 2018. The Court explained, however, that the details of full funding of basic education “must be in place by the final adjournment of the 2017 Legislative Session.” This included “funding sources and the necessary appropriations for the 2017–19 biennium.” This signaled that 2017 was the last opportunity to solve the *McCleary* puzzle and set the stage for the 2017 Session.

The Education Funding Task Force, comprised of two legislators from each of the four political caucuses, met regularly from April 2016, until the end of the year in an effort to produce a set of recommendations as required by E2SSB 6195. The recommendations were due January 9, the first day of the 2017 Session. At the Task Force’s final meeting, there was a partisan spat that gummed up the works. Republican members submitted a draft report, but it contained no recommendations. Democratic members had a set of recommendations and tried to amend those recommendations onto the Republican report, but the effort failed. So, Democrats submitted a similar draft report; however, it included their recommendations and a set of guiding principles the Republicans had earlier unveiled. The motion to accept this report also failed. The final meeting adjourned without recommendations—or even a report.

As the session began, without the required recommendations, there was no clear direction for the Legislature to go—and there was certainly no bi-partisan cooperation. Throughout the course of the session, multiple plans were introduced, but the real action was driven underground. A reconstituted Education Funding Task Force began meeting regularly in closed-door meetings to negotiate a final, compromise *McCleary* solution. After months of regular negotiating sessions with fits and starts, Task Force members reached a compromise on June 28, near the same time as Operating Budget negotiators completed their compromise efforts. With the end of the fiscal biennium rapidly approaching (midnight, June 30), there was little-to-no opportunity to read or understand what was being proposed, but legislators rushed to adopt EHB 2242 and the Operating Budget anyway.

The State submitted yet another compliance report to the Court, again arguing that the Legislature had complied with the *McCleary* Orders and requested the

Court purge the contempt order, eliminate the sanctions, relinquish jurisdiction in *McCleary*, and end the case. After briefs were submitted, along with oral arguments, the Court released its next Order in November. Justices stated “with respect to the ten components of basic education” (except the funding of staff salaries), “the State has satisfied the Court’s mandate to fully fund the program of basic education” as established by ESHB 2261 (2009) and SHB 2776 (2010).

Regarding salaries, Justices noted “the Court is satisfied that the new salary model established by EHB 2242 provides for full State funding of basic education salaries sufficient to recruit and retain competent teachers, administrators, and staff”—but they clearly said EHB 2242 and the budget “fall short in fully funding salary increases by the 2018–19 school year,” as Ordered by the Court. The Court’s November Order retained jurisdiction, maintained the contempt order, and kept the \$100,000 per day sanctions in place. Justices stated they expected the Legislature to achieve full compliance by the end of the 2018 Regular Session—and noted if the Legislature failed to act, the Court would “immediately address the need to impose additional remedial measures.”

While the Court had determined EHB 2242 fully funded the program of basic education (except for a timing snag with salaries), WASA, our colleagues in the Local Funding Work Group, and the rest of the education community, were closely analyzing EHB 2242. It quickly became clear the Legislature’s now-adopted Education Funding Plan was riddled with inconsistencies and flaws. And local school districts were uncovering potentially major negative impacts to their budgets.

School administrators across the state continued to engage with legislators and expressed their grave concerns with the new education funding scheme. At first, most legislators were very defensive—in part because they did not even understand what they had adopted. Eight legislators wrote EHB 2242 behind-closed-doors and their colleagues were kept in the dark about the bill until almost literally the eleventh-hour. What legislators knew about the bill, they mostly learned from a set of biased talking points and briefing notes—prepared by those eight legislators. School administrators (who know schools better than legislators) continued to keep the heat on. After a few months of educating legislators about what EHB 2242 really meant to local school districts, their funding, and their staffing, some legislators began to see the light. Before the 2018 Session began, there was fairly broad support to at least review and perhaps adjust some pieces of EHB 2242.

A major focus of WASA’s 2018 Legislative Platform was to advocate for a set of key “fixes” to EHB 2242. Our Local Funding Work Group colleagues also focused on a set of necessary fixes to the Education Funding Plan. Eventually, Superintendent Reykdal engaged in the conversation and introduced his own request legislation to provide a series of fixes to EHB 2242. The OSPI request bill was the vehicle to advance changes, but it took a wild ride as it was melded with

other legislation and political compromises added or eliminated various proposals.

Ultimately, a final compromise was able to be put together and E2SSB 6362 was adopted. With the adoption of this bill, the general attitude among legislators is that “*McCleary* is finished.” In the coming months, it is likely the Supreme Court will relinquish jurisdiction in *McCleary* and terminate the case; however, much work remains to be done. Additional revisions to EHB 2242—and now “fixes” to E2SSB 6362—will be necessary. Many positive “first steps” were taken in 2018. Now, we cannot sit back and assume necessary changes will just happen in 2019. All educators will need to continue to be vigilant and remain engaged.

With that in mind, below are comprehensive details of E2SSB 6362, the adopted bill to provide a set of “fixes” to last session’s *McCleary* Education Funding Plan, EHB 2242.

Section numbers of provisions added or amended in E2SSB 6362 are noted so you can easily find the actual adopted language in the bill. Following the details of the bill are a series of resources to assist you in digesting the new legislation.

E2SSB 6362—THE DETAILS

PART I—PROGRAM FUNDING

Class Size Reduction. EHB 2242 (as well as the 2017–19 Operating Budget) provided additional resources to fully implement class size reductions in grades kindergarten through three to 17 students per teacher. Compliance language from previous budgets was included in EHB 2242 which clarified that funding allocations for smaller class sizes in grades K–3 are limited to the “actual demonstrated class sizes in each school district.” EHB 2242 made this K–3 class size compliance effective beginning September 1, 2018.

E2SSB 6362 delays K–3 class size compliance by one year, until September 1, 2019. (§101)

MSOC. Funding for Materials, Supplies, and Operating Costs (MSOC) is divided into several specific line items. Under E2SSB 6362, one line item, “Other supplies and library materials” is split into two distinct allocations: “Other supplies” as well as “Library materials.” The funding level is not changed, however. (§101)

LAP. The high-poverty, school-based Learning Assistance Program (LAP) is modified to provide the allocation to a qualifying “school,” rather than qualifying “school buildings.” (§104) Additionally, to smooth allocations and avoid the on-again, off-again process of qualifying for LAP, E2SSB 6362 defines a qualifying school as a school in which the three-year rolling average of the prior year total annual average enrollment that qualifies for Free or Reduced-Price Meals equals or exceeds fifty percent or more of its total annual average enrollment. (§101)

Special Education. The special education excess cost multiplier is increased from the current 0.9309 percent to 0.9609 percent. Additionally, E2SSB 6362 clarifies that the new Professional Learning Days, as adopted in EHB 2242, are included as part of the special education base allocation. (§102)

Under current law, OSPI is required to adopt rules and procedures as are necessary to administer the special education funding and safety net award process. EHB 2242 directed OSPI to review and revise the rules to administer the special education safety net process by September 1, 2019. E2SSB 6362 advances the due date for this task to December 1, 2018. Additionally, OSPI must revise the rules to provide easier access by districts to the safety net funds by reducing the required annual threshold that must be exceeded for high cost students and adding flexibility to access community impact awards. (§106)

E2SSB 6362 also charges OSPI's Safety Net Oversight Committee with reviewing the extraordinary high cost needs of one or more individual special education students served in residential schools, programs for juveniles under the Department of Corrections, and programs for juveniles operated by city and county jails to the extent they are providing a program of education for students enrolled in special education. (§106)

Pupil Transportation. E2SSB 6362 creates a Transportation Alternate Funding Grant Program. As part of the award process for the grants, OSPI is required to include a review of the school district's efficiency rating, key performance indicators, and local school district characteristics such as unique geographic constraints, low enrollment, geographic density of students, the percentage of students served under the federal McKinney-Vento Homeless Assistance Act from outside the district, or whether the district is a non-high district. (§103)

The 2017–19 Operating Budget provides \$20.0 million to fund the Transportation Alternate Funding Grant Program.

Highly Capable Students. Under E2SSB 6362, OSPI must require school districts to have clearly stated procedures to identify students for their highly capable programs. Districts must use the following criteria:

- districts must use multiple objective criteria to identify students who are among the most highly capable. Multiple pathways for qualifications must be available and no single criterion may disqualify a student from identification;
- highly capable selection decisions must be based on consideration of criteria benchmarked on local norms, but local norms may not be used as a more restrictive criteria than national norms at the same percentile;
- subjective measures such as teacher recommendations or report card grades may not be used to screen out a student from assessment. These data points may be used alongside other criteria during selection to support identification, but may not be used to disqualify a student from being identified; and

- to the extent practicable, screening and assessments must be given in the native language of the student. If native language screening and assessments are not available, a nonverbal screening and assessment must be used.

OSPI is also required to disseminate evidence-based guidance on the referral, screening, assessment, selection, and placement best practices for highly capable student programs. (§105)

PART II: COMPENSATION

Paid Sick Leave. E2SSB 6362 states the Legislature’s intent to provide funding in the state Operating Budget to support school districts with additional costs of Paid Sick Leave, as adopted under Initiative 1433 in 2016. (§201)

Salary Allocations. EHB 2242 and the 2017–19 Operating Budget provided for new minimum salary allocations (for CIS, CAS, and CLS) beginning in 2018–19. Fifty percent of the increased salary allocation was to be provided in the 2018–19 school year and the entire increased salary allocation in the 2019–20 school year. The Supreme Court, in its November 2017 *McCleary* Order, directed the Legislature to “fully fund” the increased salary allocations by September 1, 2018.

E2SSB 6362 (and the 2018 Supplemental Operating Budget) eliminates the two-year phase-in of increased state salary allocations and provides the funding for the full increase in School Year 2018–19, in compliance with the Court’s Order. Minimum salary allocations are increased for each staff group to: \$65,024 for Certificated Instructional Staff; \$46,647 for Classified Staff; and \$96,520 for Certificated Administrative Staff. (§202)

Beginning in 2023–24, EHB 2242 required salary allocations and regionalization to be reviewed and re-based every six years. E2SSB 6362 requires that same review and re-basing, but shortens the timeline from every six years to every four years. The first review and re-base still is slated to begin in 2023. As part of the salary allocation review, the Legislature is also required to review which inflationary measure (IPD or CPI) is most representative of actual market experience for school districts. (§203)

Regionalization. EHB 2242 eliminated the Salary Allocation Model and Staff Mix and replaced salary allocations for CIS, CAS, and CLS with a statewide average salary. Districts in “high cost” areas (as determined by median single-family residential value and “proximate school district” median single-family residential value) were provided with a regionalization factor of 6, 12, 18, or 24 percent. E2SSB 6362 provides for a “smoothing” of regionalization (dubbed “regionalization edge adjustments” by budget-writers) and provides districts located west of the crest of the Cascade mountains with an increase in regionalization of six percent, if they share a boundary with any school district with a regionalization factor more than one tercile higher. (For example, if

District A had no regionalization factor, but they bordered District B with a 12 percent regionalization factor, District A would have a six percent factor.) (§203)

(Note: While it was positive that legislators saw the need for adjustments in regionalization, their solution only positively impacts six districts. Many legislators have openly discussed the need to continue evaluating regionalization as currently implemented, but that discussion will have to wait for a broader fix next session.)

Experience Factor. As noted above, EHB 2242 eliminated the Salary Allocation Model and the Staff Mix. While legislators rejected the idea of reinstating the SAM or Staff Mix, E2SSB 6362 implements a new “Experience Factor.” Districts that have CIS median years of service that exceed the statewide average CIS years of service AND have a ratio of CIS advanced degrees to bachelor degrees above the statewide ratio receive the new experience factor of four percent. This is in addition to any regionalization factor a district may have; however, it is not provided until the 2019–20 school year. (§203)

(Note: While legislators rejected the idea of reimplementing a Staff Mix, the new “Experience Factor” serves essentially the same purpose. That is positive; however, this solution is not as broad-based as we hoped and only positively impacts 56 school districts. This may have left the door open, however, for further revisions next year.)

School District Salaries—CIS. EHB 2242 imposed salary restrictions during the 2018–19 transitional period for new salary allocations. The bill stated that school district Collective Bargaining Agreements for Certificated Instructional Staff in effect for the 2018–19 school year (and executed or modified after July 6, 2017) may not provide for a total salary increase—including supplemental contracts—with a percentage increase that exceeds the Seattle Consumer Price Index (3.1 percent in 2018–19).

E2SSB 6362 modifies this restriction. The Seattle CPI salary limit is still in place in 2018–19; however, the language was clarified to limit the percentage increase of *average total salaries* for CIS. Additionally, the bill adds exceptions to the temporary limit to CPI. The exceptions include: annual experience and education salary step increases; salary changes for staffing increases due to enrollment growth or state-funded increases; salary changes to provide professional learning; increases related to bonuses for being certified by the National Board for Professional Teaching Standards; and salaries for new CIS hired in 2018–19. Additionally, if the district’s average total CIS salary is below the statewide average CIS allocation, the district may provide increases up to the statewide average allocation. (Note: OSPI has calculated the 2018–19 statewide average Certificated Instructional Staff salary allocation as \$71,711.) (§208)

School District Salaries—CLS. EHB 2242 imposed salary restrictions during the 2018–19 transitional period for new salary allocations. The bill stated that school district Collective Bargaining Agreements for Classified Staff in effect for the 2018–19 school year (and executed or modified after July 6, 2017) may not

provide for a total salary increase—including supplemental contracts—with a percentage increase that exceeds the Seattle Consumer Price Index (3.1 percent in 2018–19).

E2SSB 6362 modifies this restriction. The Seattle CPI salary limit is still in place in 2018–19; however, the language was clarified to limit the percentage increase of *average total salaries* for CLS. The language also clarified that these limits apply to changes to any terms of an employment contract for non-represented employees. Additionally, the bill adds exceptions to the temporary limit to CPI. The exceptions include: annual experience and education salary step increases; and salary changes for staffing increases due to enrollment growth or state-funded increases. Additionally, if the district's average total CLS salary is below the statewide average CLS allocation, the district may provide increases up to the statewide average allocation. (Note: OSPI has calculated the 2018–19 statewide average Classified Staff salary allocation as \$51,473.) (§207)

School District Salaries—CAS. EHB 2242 imposed salary restrictions during the 2018–19 transitional period for new salary allocations. The bill stated that Certificated Administrative Staff total salary increases—including supplemental contracts—for the 2018–19 school year (and executed or modified after July 6, 2017) may not exceed the Seattle Consumer Price Index (3.1 percent in 2018–19).

E2SSB 6362 modifies this restriction. The Seattle CPI salary limit is still in place in 2018–19; however, the language was clarified to limit the increase of *average total expenditures* for CAS (note the new limit: *average total expenditures*, rather than *average total salary*). The language also clarified that these limits apply to changes to any terms of an employment contract for non-represented employees. Additionally, the bill adds an exception to the temporary limit to CPI: annual experience and education salary step increases “according to what was the prior year’s practice within the school district.” Additionally, if the district’s average total CAS salary is below the statewide average CAS allocation, the district may provide increases up to the statewide average allocation. (Note: OSPI has calculated the 2018–19 statewide average Certificated Administrative Staff salary allocation as \$106,473.) (§204)

Salary Compliance. EHB 2242 and E2SSB 6362 establish a simple form of salary compliance. Salaries for full-time CIS must be: at least \$40,000; at least ten percent above the district’s minimum salary after five years of service; and no more than \$90,000. EHB 2242 also allowed an additional ten percent above the maximum to be paid for: Educational Staff Associates; teachers of science, technology, engineering, or math; or teachers in the Transitional Bilingual Instructional Program or in special education (note this additional salary is allowed, but not funded by the state). Each of these salary components are annually adjusted for inflation (defined as IPD). For 2018–19 these compliance figures are: \$40,760; \$44,836; \$91,710. They are also adjusted by any regionalization factor the district receives.

EHB 2242 did not implement the new salary compliance scheme until the 2019–20 school year. E2SSB 6362 accelerates the implementation of the new minimum/5-year bump/maximum, beginning in the 2018–19 school year. (§205)

Supplemental Contracts. EHB 2242 restricted supplemental contracts (limited to enrichment activities only) and stated the rate a district paid “may not exceed the hourly rate provided to that same instructional staff for services rendered as part of the state’s program of basic education.”

E2SSB 6362 changed this language. New language clarifies that supplemental contracts can be either “time-based” (but may not exceed the hourly rate provided to that same person for basic education services) or may instead be paid as a flat stipend, as long as the contract documents “the additional duties, responsibilities, or incentives that are being funded by the contract.” (§205)

Salary Inflationary Factors. School district employees are required to receive an annual salary inflationary increase, beginning in the 2019–20 school year (rather than 2020–21). The inflation factor for salary increases will be the Implicit Price Deflator (IPD). (§206)

As noted above, inflation adjustments for salary compliance is based on IPD. (§205)

School Day. OSPI is directed to convene a Work Group, comprised of diverse school districts and education stakeholders, to recommend how to define the duties and responsibilities that entail a school day under the state’s statutory program of basic education. The recommendations must consider the professional responsibilities, time, and effort required to provide the state’s statutory program of basic education that exceed the required number of instructional hours specified in statute, and duties covered by state salary allocations that may be outside of school instructional time including, but not limited to:

- direct instruction;
- the necessary preparations, planning, and coordination for that instruction;
- meeting with and collaborating with parents and other teachers or other staff regarding the program of basic education; and
- the necessary evaluation of student learning from that instruction.

A report with recommendations is due to the Legislature by January 14, 2019. (§209)

PART III: LEVIES

Levy Restrictions. EHB 2242 clarified, beginning September 1, 2019, that school districts may only use local revenues for documented and demonstrated enrichment of the state's statutory program of basic education. E2SSB 6362 accelerates this limitation, beginning September 1, 2018. (§301, §306)

EHB 2242 stipulated that if a school district spends local revenues for salary costs attributable to the administration of enrichment programs, "the portion of administrator salaries attributable to that purpose may not exceed the proportion of the district's local revenues to its other revenues." Administrators were concerned this language was overly limiting and requested that it be amended. Key legislators explained that the impact of the plain language of the bill was not their intent. Rather than amend the language, they suggested it simply be struck from the law. As originally introduced, the bill repealed this language; however, as ultimately adopted, E2SSB 6362 simply amended the language, establishing a different limit.

As adopted, E2SSB 6362 states the use of local revenues for administrators' salaries attributable to the administration of enrichment programs "may not exceed twenty-five percent of the total district expenditure for administrator salaries." (§301)

Transportation Levies. Transportation enrichment levies are removed from the definition of "local revenues" (§301) and other references to transportation enrichment levies are eliminated (§306) and it is clarified that levies for transportation vehicles do not require OSPI approval of a levy expenditure plan. (§304, §306) It is also clarified that transportation vehicle levies and construction levies are not subject to maximum enrichment levy limits (\$1.50 per \$1,000 AV or \$2,500 per pupil). (§307)

Levy/LEA Inflationary Factors. Per pupil funding for levy limits are annually increased by inflation, beginning with property taxes levied for collection in 2020. Levy caps remain \$1.50 per \$1,000 AV or \$2,500 per pupil, whichever is less. The per pupil limit (\$2,500) is annually inflated; however, the \$1.50 per \$1,000 AV cap is NOT inflated. For purposes of the levy cap, inflation is defined as the Seattle CPI. (§307)

Local Effort Assistance (LEA or levy equalization) funding is capped at \$1,500 per pupil. The per pupil cap is annually inflated, beginning in Calendar Year 2020. For purposes of the LEA cap, inflation is defined as the Seattle CPI. (§303)

High/Non-high Relationship. A high school district's maximum levy amount and LEA is reduced by the non-high payment due to the high school district when a high school student living in a non-high district transfers to the high school district. (§303, §305, §307)

School districts participating in an innovation academy cooperative receive a proportional share of the student enrollments under a levy. (§303, §307)

PART IV: OTHER POLICIES

Hold Harmless. EHB 2242 included a “hold harmless” provision intended to guarantee that no school district would receive less funding under the new system in 2018–19, than it would have received under the law in place on January 1, 2017. The language specified, however, that the hold harmless provision applied to salary allocations only. Legislators (after the fact) argued the hold harmless would protect districts from losing total funding—although the law clearly stated otherwise.

E2SSB 6362 includes a “total revenue” (that is, state basic education allocations + local levies + Local Effort Assistance) hold harmless provision. It clarifies funding and actual levy/LEA collections in the 2017–18 school year is the baseline to determine whether a district is eligible for any hold harmless payment. Additionally, the hold harmless applies for two years, 2018–19 and 2019–20. (§401)

Hold Harmless—Tacoma SD. In addition to the overall hold harmless language, E2SSB 6362 also includes a second hold harmless provision, specifically for Tacoma School District. The bill also appropriates \$12.0 million for hold harmless payments to Tacoma. (§401, §407)

Professional Learning Days. EHB 2242 provided for a three-year phase-in of Professional Learning Days (one per year), beginning in the 2018–19 school year. E2SSB 6362 delayed the start date of the three-year phase-in from the 2018–19 school year to the 2019–20 school year. Prior to signing this bill, Governor Inslee vetoed this section, reinstating the original language adopted last year. In other words, the three-year phase-in of Professional Learning Days will begin this school year, 2018–19. (§402—VETOED)

The vetoed section also clarifies the calculation for funding Professional Learning Days and clarifies districts’ use of the funding must be audited as a part of regular financial audits. Because this added language was vetoed along with the delayed implementation of Professional Learning Days, it is unclear if OSPI will follow the calculation provided. Language requiring the State Auditor’s Office to specifically audit the use of this new funding was also included in a separate section of the bill, however, so these audits will be forthcoming. (§406)

Accountability/Transparency Provisions. EHB 2242 required, by the 2019–20 school year, that school districts establish a local revenue “subfund” of its general fund to account for the financial operations of a school district that are paid from local revenues. E2SSB 6362 accelerated this accountability provision, requiring a subfund to be established and used by the 2018–19 school year. (§302)

Beginning with taxes levied for collection in 2018, E2SSB 6362 requires enrichment levy revenues to be deposited in a separate subfund; EHB 2242 required the use of a subfund for taxes levied for collection in 2020. (§307)

EHB 2242 also required OPSI, by the 2019–20 school year, to adopt rules to ensure proper budgetary procedures and practices and ensure school districts are providing separate accounting of state and local revenues to expenditures. E2SSB 6362 also accelerated the implementation of this requirement; however, prior to signing the bill, Governor Inslee vetoed this section, arguing that “speeding up the development of a new accounting system will jeopardize the long-term reliability of the accounting system and suspend the development of all other systems work.” OSPI rules are not required until 2019–20. (§408—VETOED)

So, the law requires school districts to establish and use a new subfund by the 2018–19 school year, but OSPI does not have to adopt rules to guide districts in this process until the 2019–20 school year—after school districts have already implemented a subfund.

Understanding that this situation is a bit cumbersome for districts, State Superintendent Chris Reykdal and State Auditor Pat McCarthy have collaborated and provided some general guidance to districts. In short, districts will be required to establish and begin using a subfund by the 2018–19 school year; however, the State Auditor’s Office will “review” school district financial statements and actual “audits” related to the accounting of local revenues will be delayed until 2019–20. Bottom line, it will be important to at least attempt to comply with the law. If districts make a good faith effort, it appears you may get a pass if you don’t meet the mark, but if districts fail to make any effort to comply, it is likely there will be consequences. You are encouraged to read the [letter from Superintendent Reykdal and Auditor McCarthy](#).

Outdoor Education. E2SSB 6362 allows public school districts to develop curricula that links student learning with engagement in seasonal or non-seasonal outdoor-based activities, including activities related to academic requirements in science, health and fitness, and Career and Technical Education. Schools that develop this curriculum may ask OSPI to approve those activities for the purposes of providing the minimum 180 school days in a school year. (§409, §410)

E2SSB 6362—Resources

- [WASA’s EHB 2242/E2SSB 6362 Resource Page](#)
- [WASA Collective Bargaining FAQs](#)
- [E2SSB 6362 Pocket Guide](#) (Porter Foster Rorick LLP)
- [McCleary Funding Plan, Part II: E2SSB 6362](#) (PPT)
- [Text of E2SSB 6362, as enacted](#)
- [EHB 2242 Pocket Guide](#) (Porter Foster Rorick LLP)
- [Unpacking EHB 2242 \(PPT\)](#)
- [Text of EHB 2242, as enacted](#)

2018 Supplemental Operating Budget: ESSB 6032

On Monday, January 8, 2018, the Legislature convened its second year of the 65th Biennial Session. During the “short” session, limited to 60 days, policymakers traditionally focus on policy issues while the two-year budget (adopted in the first year of the biennium) is fine-tuned.

The 2017 Legislature adopted a two-year budget which appropriated \$43.7 billion (an increase of approximately \$5.3 billion above the previous 2015–17 budget). Included were appropriations of approximately \$23.91 billion for K–12 education—an increase of \$2.0 billion in mandatory Maintenance Level costs and an increase of \$1.8 billion in Policy Level changes. The lion’s share of the policy increases provided funding for EHB 2242, the Legislature’s proposed *McCleary* Education Funding Plan, with a majority of that *McCleary* funding (\$1.1 billion) providing support to increase K–12 basic education salaries.

With EHB 2242 adopted, along with \$3.8 billion (and a projected four-year increase of \$7.3 billion) to fund K–12 education, the Legislature submitted its annual *McCleary* compliance report to the Supreme Court. Most legislators believed they had taken the last steps to comply with the 2012 *McCleary* decision and were already prepared to shift their focus to other issues in 2018. The Court had other thoughts.

In November, the Supreme Court issued its response to EHB 2242 and SSB 5883 (2017–19 Operating Budget). Justices stated, “with respect to the ten components of basic education, the State has satisfied the Court’s mandate to fully fund the program of basic education” as established by ESHB 2261 (2009) and SHB 2776 (2010)—except the funding of staff salaries.

Regarding salaries, Justices noted “the Court is satisfied that the new salary model established by EHB 2242 provides for full State funding of basic education salaries sufficient to recruit and retain competent teachers, administrators, and staff”—but they clearly said EHB 2242 and the budget “fall short in fully funding salary increases by the 2018–19 school year,” as Ordered by the Court. The Court’s November Order retained jurisdiction, maintained the contempt order and kept the \$100,000 per day sanctions in place. Justices said

they expected the Legislature to achieve full compliance by the end of the 2018 Regular Session—and noted if the Legislature failed to act, the Court would “immediately address the need to impose additional remedial measures.”

Remember, while EHB 2242 provided for an increase in basic education salaries (\$1.1 billion), the “full funding” was provided over two years. Half of the funding was slated to be provided in the 2018–19 school year, followed by full funding in the 2019–20 school year. To accelerate full salary funding to the 2018–19 school year (complying with the Court’s long-standing September 1, 2018 deadline) was projected to increase expenditures in the 2017–19 Operating Budget by almost \$1.0 billion. Short sessions are used to “tweak” the two-year budget and occasionally provide additional funding to some targeted (usually minor) investments. The Court’s Order, however, meant the upcoming Supplemental Operating Budget would have to increase substantially beyond a “normal” second-year adjustment—if the Legislature chose to comply with the Order.

Before the session began, there was already a raging debate about whether the Legislature would provide the additional \$1.0 billion to comply with the Court (or if they would even make the attempt)—and if they decided to tackle the requirement, how they would find the money. Some legislators argued to ignore the Order, with the attitude of “what can the Court do to us anyway?” Some wanted to provide the funding because it was the right thing to do (although some wanted to comply simply to get the *McCleary* monkey off their backs). The rest wrung their hands, vacillating between compliance (“but how?”) and disregard (“we have more pressing issues”).

Since Governor Inslee was elected, he has been criticized (by members of both parties, the media, and others) for a lack of leadership, but this session he was among the first to take a specific stance on the *McCleary* issue. Shortly after the Court issued its Order, Inslee released his 2018 Supplemental Operating Budget request. A centerpiece of his proposal was to provide \$950 million to increase salary allocations in the 2018–19 school year. Lacking the necessary funding to accomplish this, his budget included a complicated plan to

put the money in place. His plan would have shifted school district apportionment payments, siphoned funds from the State's Ending Fund Balance, and implemented a new Carbon Pollution Tax to provide a temporary infusion of new revenue and backfill the State's budget reserves. As part of his plan to accelerate salary allocations, Inslee also proposed to eliminate the 2018–19 “transition year” (and its temporary salary increase caps).

The debate about the salary allocation acceleration continued the first half of the session, but on February 15, legislators received good news. The Economic & Revenue Forecast Council provided its update of state revenue projections. Revenue collections were up from the November forecast, with expected revenues to be increased by \$647 million in the current biennium (2017–19) and \$671 million above previous estimates in the next biennium (2019–21). In addition to good revenue news, a few days later the Caseload Forecast Council released its updated projections of state entitlement costs—and they also had good news. Mandatory caseload costs were down approximately \$90.0 million.

With the arrival of positive budget news, three things happened: (1) talk about reducing the State Property Tax heated up; (2) plans for any potential tax hikes stalled; and (3) discussions about complying with the Supreme Court's November salary Order intensified.

(Ultimately, legislators adopted a State Property Tax reduction of approximately \$.30 in Calendar Year 2019. How the reduction is implemented, however, ruffled some feathers. For information, see ESSB 6614, Education-Related Bills That Passed, later in this Report.)

On February 19, Senate Democratic budget-writers released their 2018 Supplemental Operating Budget. The Senate plan would have increased the underlying 2017–19 Operating Budget by \$1.2 billion (net). \$777.9 million of that total (along with another \$193.9 million in 2019–21) would have been provided to “fully fund” state salary allocations in the 2018–19 school year. To help fund the additional salary costs, the Senate followed the governor's lead and proposed a school district apportionment shift as a part of SB 6362 (*McCleary* “fixes”); however, given the positive budget news, the budget proposal clarified the apportionment shift was no longer necessary.

The next day, on February 20, House Democratic budget-writers released their own 2018 Supplemental Operating Budget package. It would have increased the underlying 2017–19 Operating Budget by \$377 million (net). The major difference between the two plans was the accelerated educator salary allocations. The Senate plan would have appropriated additional funds for salary increases (\$777.9 million); the House plan would not have accelerated the funding. The House, instead, would have made a transfer of \$1.1 billion from the General Fund to the Education Legacy Trust Account—along with specific budget language clarifying these funds could only be spent in the 2019–21 biennium for educator compensation in the 2019–20 school year, as required by EHB 2242.

Both budget proposals quickly went through the process in their respective houses. When the full House moved to adopt its budget plan, it used the Senate vehicle and adopted a striking amendment. Even though the House adopted a budget proposal just a few days after releasing it, they had already given up on withholding the Court-required additional educator salary allocations. The amended bill that went back to the Senate was substantially similar to the Senate's proposal and it did not take long for budget negotiators to hammer out a final, compromise 2018 Supplemental Operating Budget, ESSB 6032.

The final 2018 Supplemental Operating Budget increases the underlying 2017–19 budget by \$941.0 million—approximately \$176.0 million less than the Senate originally proposed and over \$560.0 million more than the House originally proposed. K–12 education is provided with \$846.6 million (net) additional funding—with \$775.8 million being directed to salaries in 2018, to comply with the Supreme Court's November *McCleary* Order.

It should be noted that the Legislature must adopt not only a balanced budget, but a balanced budget over a four-year period. As adopted, ESSB 6032 complies with this statutory requirement, leaving \$88.0 million in the unrestricted Ending Fund Balance in 2019–21. Prior to signing the budget, however, Governor Inslee vetoed multiple provisions—both additional expenditures and adopted savings. The veto that has the biggest impact on the four-year Outlook is the rejection of the delayed implementation of new K–12 Professional Learning Days. The adopted budget assumed a \$27.1 million savings in 2017–19, and another \$75.8 million

in 2019–21, resulting from the delay. Eliminating this savings (\$102.9 million) means the final budget is in the red by approximately \$15.0 million. Washington continues to have a strong economy, so in the grand scheme of things this is not a major issue. Legislators, however, are not happy about the current deficit projection in the four-year Outlook.

Complete details of the K–12 section of the budget (and additional provisions that impact K–12) as adopted by the 2018 Legislature and signed by Governor Inslee follow.

For additional budget information, please use the following links:

- 2018 Supplemental Operating Budget: [ESSB 6032](#)
- Legislative Evaluation & Accountability Program ([LEAP](#)) Committee:
 - Budget Agency Detail—[Senate/House](#)
 - K–12 LEAP Document 3: [Regionalization Factors & Experience Factors](#)
- OSPI Budget Updates: [School Apportionment & Financial Services](#)
- [OSPI Multi-Year Budget Comparison Tool](#)
- OSPI Budget Driver Summary: [John Jenft Rate Sheet](#)
- [Economic & Revenue Forecast Council](#)
 - [Forecasts](#)
 - [Four-year Outlook](#)

BUDGET DETAILS: K–12 ENHANCEMENTS

Salary Allocations – \$775.8 million

In 2017, the so-called “*McCleary* Funding Plan” (EHB 2242), in conjunction with the 2017–19 Operating Budget, provided for “full funding” of state salary allocations. Only half of that full funding, however, was provided in the 2018–19 school year, with the remainder scheduled to be funded in the 2019–20 school year (as a part of the next two-year budget). In November 2017, while the Supreme Court accepted the Legislature’s solution to the *McCleary* case, they objected to the solution being fully implemented after the Court-ordered September 1, 2018, deadline. The Court continued to retain jurisdiction in the case, maintained the Contempt Order, continued to levy sanctions (\$100,000 per day) on the State, and Ordered the State to comply with the constitutional paramount duty by September 1, 2018.

Funding is provided in the 2018 Supplemental Operating Budget to reach the full funding of state salary allocations in the 2018–19 school year, as required by the Supreme Court. Minimum salary allocations are increased for each staff group: \$65,024 for Certificated Instructional Staff; \$46,647 for Classified Staff; and \$96,520 for Certificated Administrative Staff.

Special Education Multiplier – \$26.9 million

Funding is provided to increase the special education excess cost multiplier from 0.9309 to 0.9609 percent beginning in the 2018–19 school year to provide additional funding for special education programs.

Regionalization Adjustment – \$4.4 million

E2SSB 6362 adjusts regionalization for school districts west of the crest of the Cascade mountains sharing a boundary with another district with a regionalization factor more than one tercile higher. This positively impacts six school districts, helping them to attract and retain teachers. The 2018 Supplemental Operating Budget provides the necessary funding to increase regionalization in those six districts.

Science Standards Professional Learning – \$4.0 million

Funding is provided for grants to school districts and ESDs to support professional learning in the Next Generation Science Standards (NGSS), including training in climate

science standards. Using these funds, school districts must ensure that teachers in one grade level in each elementary, middle, and high school participate in this training. \$1.0 million of the overall appropriation is provided for community-based nonprofits to partner with public schools for Next Generation Science Standards.

Breakfast After the Bell – \$1.2 million

Funding is provided for one-time start-up grants to each high-needs school implementing a Breakfast After the Bell program, as required by 2ESHB 1508.

An additional appropriation of \$144,000 is provided to the Department of Agriculture to coordinate with OSPI and schools on farm-to-school programs, small farm direct marketing programs, and best practices for purchasing Washington-grown food, as required by 2ESHB 1508.

Bilingual Educator Initiative – \$1.0 million

Funding is provided for a Bilingual Educator Initiative pilot program. Pilot projects will be implemented in one or two districts east and west of the Cascades, and support students from middle school through college on their paths to become educators. Additionally, funding is provided to increase the current funding for the Dual Language Grant Program created in 2017 (SHB 1445).

ELA Coordinators – \$903,000

Legislation enacted in 2013 provided a block of funding for one elementary English Language Arts (ELA) coordinator at each of the nine ESDs. Funding is converted from a block grant in the Education Reform program to FTE staffing units in the Educational Services Districts program of the budget. This provides Cost of Living and other employee benefits adjustments.

E-Rate Program – \$900,000

\$900,000 is appropriated to OSPI to leverage federal funding from the E-Rate Program operated by the Universal Service Administrative Company, under the Federal Communications Commission. The provided funding will enable more student access to digital learning.

School Safety Grants – \$722,000

Funding is appropriated to OSPI to provide grants to ESDs and school districts to develop or expand regional safety programs to address student safety. At a minimum, funded programs must implement a multi-tier threat assessment

system; develop a process for notifying schools, including private schools, of safety emergencies; and make recommendations or implement appropriate safety technology consistent with regional need.

TBIP Assessment Costs – \$693,000

Funding is appropriated to OSPI for the central provision of Transitional Bilingual Instructional Program assessments.

LAP Technical Assistance – \$676,000 VETOED

Funding was appropriated to OSPI for technical assistance to districts implementing HB 2748; however, the bill failed to be adopted, causing the funding to lapse. Further, because the funding lapsed, Governor Inslee vetoed this unnecessary section.

The bill would have amended or eliminated a series of current provisions of the Learning Assistance Program (LAP) and would have required districts to expend funds appropriated for LAP in a manner consistent with the Washington Integrated Student Supports Protocol beginning January 1, 2019.

Career and College Readiness – \$335,000

Funding is provided to implement E2SHB 1600 which, among other provisions, requires OSPI to convene a temporary Work-Integrated Learning Advisory Committee. A separate appropriation of \$35,000 is provided to the Employment Security Department to consult with OSPI on the Work-Integrated Learning Advisory Committee, as required by E2SHB 1600.

Paraeducator Training – \$250,000

One-time funding is provided to the Professional Educator Standards Board (PESB) to procure or create professional development for paraeducator subject matter certificates in the Transitional Bilingual Instructional Program and special education. PESB must align courses with general paraeducator certificate professional development, including any necessary changes or edits to general paraeducator certificate online modules.

Financial Literacy – \$250,000

\$200,000 is provided to Junior Achievement for grants to implement a program that provides hands on education in financial literacy, work readiness, and entrepreneurship. Another \$50,000 is provided to OSPI, in coordination with the Financial Literacy Public-Private Partnership, to

promote the financial literacy of students.

Office of Native Education – \$240,000

Funding is provided to the Office of Native Education within OSPI to increase services to tribes. This includes providing assistance to tribes and school districts to implement Since Time Immemorial, applying to become tribal compact schools, convening the Washington State Native American Education Advisory Committee, and extending professional learning opportunities to provide instruction in tribal history, culture, and government.

Equity in Student Discipline – \$236,000

Funding is provided for additional staff in the Office of Equity and Civil Rights at OSPI to develop and implement a targeted technical assistance and monitoring process to address concerns about equity in student discipline around the state. Additional program staff will provide support to districts to implement evidence-based practices to eliminate these disparities.

Civics Education – \$230,000

Funding is provided to implement 2SHB 1896. Among other things, the bill requires OSPI to expand its civics education teacher training program.

Sexual Health Education – \$200,000

Funding is provided to OSPI to meet statutory obligations related to the provision of medically and scientifically accurate, age-appropriate, and inclusive sexual health education as required by E2SSB 6221 (1998) and ESSB 5297 (2007). OSPI must submit a report to the Legislature by June 30, 2019, outlining accomplishments and deliverables achieved in Fiscal Year 2019.

Anti-bias Programs – \$200,000

Funding (\$100,000) is provided to OSPI for programs to combat bias. OSPI must contract with a nonprofit organization (Anti-Defamation League) to support teachers in implementing lessons of the Holocaust for the creation of a comprehensive online encyclopedia of local Holocaust education resources. The online encyclopedia must include teaching trunk materials, Anne Frank materials, genocide resources, and video testimonies.

Additional funding (\$100,000) is provided to OSPI to contract with a nonprofit, civil rights and human relations organization (Anti-Defamation League) with expertise

in tracking and responding to hate incidents in schools, and with experience implementing programs designed to empower students to improve upon and sustain school climates that combat bias and bullying. The contract must expand the organization's current anti-bias programs to eight public schools across Washington, with at least half of the schools located east of the crest of the Cascade mountains. This funding may be used to support preprogram planning, trainings, guidance, surveys, materials, and the hiring of a part-time contractor to support data tracking.

High School Preapprenticeships – \$131,000

Funding is provided to implement SHB 2685. The bill requires OSPI, in consultation with the State Board for Community and Technical Colleges and the Washington State Apprenticeship and Training Council, to examine opportunities for promoting registered preapprenticeship and registered youth apprenticeship opportunities for high school students.

Dyslexia – \$120,000

Funding is provided to implement E2SSB 6162. The bill requires public and charter schools to screen all children for dyslexia in kindergarten through grade three. OSPI is also required to reconvene a Dyslexia Advisory Council, identify dyslexia screening tools, and collect screening data from the schools.

College Bound Outreach – \$100,000

Funding is provided to add a regional officer focused on College Bound student success to serve the coastal and Olympic Peninsula regions. Washington's College Bound program provides support and guidance for low-income students as they progress through high school and into the College Bound Scholarship.

Sexual Abuse Prevention – \$97,000

Funding is provided to implement SHB 1539. The bill establishes new and modified duties for OSPI related to a voluntary coordinated program for the prevention of child abuse and neglect, including requiring the program to incorporate provisions for the prevention of sexual abuse of students in kindergarten through twelfth grade. Additionally, OSPI must review any existing curricula related to the prevention of sexual abuse of students in kindergarten through twelfth grade.

School Meal Payment – \$60,000

Funding is provided to implement SHB 2610. The bill adds new requirements for schools and districts regarding school meal programs; however, no funding is provided for these new duties. The full appropriation is provided to OSPI in completing their new duties: developing and implementing a plan to increase the number of students participating in the Community Eligibility Provision of the United States Department of Agriculture; providing annual reports to the Legislature; and collecting, analyzing, and promoting to school districts and community-based organizations best practices in local meal charge policies.

Suicide Prevention Training – \$52,000

Enhanced funding is provided to OSPI for training to help school staff recognize and respond to distress in students, including suicide prevention.

Children's Mental Health Services – \$40,000

Funding is provided to OSPI implement E2SHB 2779, expanding the duties of the lead staff person in each of two ESD mental health pilot sites (established in 2017) to include delivering a mental health literacy curriculum, mental health literacy curriculum resource, or comprehensive instruction to students in one high school in each pilot site. The curriculum, curriculum resource, or comprehensive instruction must improve student mental health literacy, be designed to support teachers, and be aligned with the state's Health and Physical Education K–12 Learning Standards.

\$150,000 is also provided to the Department of Children, Youth, and Families (DCYF) to implement E2SHB 2779. DCYF, in collaboration with the Health Care Authority, must identify opportunities to leverage Medicaid funding and recommend a strategy for the expansion of home visiting statewide.

An additional appropriation (\$100,000) is provided for the Health Care Authority to implement E2SHB 2779 by contracting with a third party to build upon the Home Visiting and Medicaid Financing Strategies 2017 report and provide a set of recommendations to the Legislature by December 1, 2018.

Legislative Youth Advisory Council – \$40,000

Funding is provided for the Legislative Youth Advisory Council. The Council, comprised of student members statewide, advises legislators on issues of importance to youth.

Civic Education Grant – \$10,000

Funding is provided for the Civic Education Travel Grant Program which was established to provide travel grants to students participating in statewide, regional, national, or international civic education competitions or events.

BUDGET DETAILS: K–12 REDUCTIONS OR “SAVINGS”**Professional Learning Days—(\$27.0 million) VETOED**

Last session, EHB 2242 (*McCleary* Education Funding Plan) provided for a three-year phase-in of three Professional Learning Days, beginning in the 2018–19 school year. Both E2SSB 6362 (*McCleary* “fix” bill) and the 2018 Supplemental Operating Budget delayed the beginning of the Professional Learning Day phase-in until the 2019–20 school year.

Prior to signing the budget (and E2SSB 6362), Governor Inslee vetoed the delay, arguing that “research shows that time for job-embedded professional learning and collaboration is linked to student success.” Further, he noted that “limiting practices that improve student achievement goes against our goal for a world-class education system.”

Last year’s EHB 2242, as adopted, included a phase-in of Professional Learning Days; this year, E2SSB 6362 and the budget bill delayed the implementation of those Days. Inslee’s veto, then, simply reinstates the original language of EHB 2242, which begins the phase-in of Professional Learning Days in the 2018–19 school year. Budget-writers “booked” a \$27.0 million savings in the budget by delaying implementation, so the initial days are not technically funded in the budget; however, the money will flow to districts. The Legislature will have to correct the inconsistency in the 2019 Supplemental Operating Budget.

Fiscal Year Shift – (\$693,000)

Funding authority is shifted from Fiscal Year 2018 to Fiscal Year 2019 for activities related to the implementation of the *McCleary* Education Funding Plan, EHB 2242 (2017).

BUDGET DETAILS: STATE AGENCY ADJUSTMENTS

(The budget makes a series of funding adjustments for Central Services charges in all state agencies, including OSPI. While OSPI’s share of funding changes are minimal, the total adjustments impact the overall funding level of the K–12 portion of the budget; OSPI adjustments result in a decrease of \$98,000.)

DES Rate Compensation Changes – \$52,000

Funding is provided to cover compensation and central service cost increases that were included in the 2017–19 Operating Budget in lines of business at the Department of Enterprise Services that have a fee for service structure.

OFM Central Services – \$21,000

Agency budgets are adjusted to reflect each agency’s allocated share of charges from the Office of Financial Management for the One Washington project.

CTS Central Services – \$20,000

Agency budgets are adjusted to reflect each agency’s allocated share of charges from the Consolidated Technology Services agency (CTS) for the Office of the Chief Information Officer, the Office of Cyber Security, the state network, enterprise systems, security gateways, and geospatial services.

CTS Fee for Service Adjustment – \$15,000

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018, to align revenues with WaTech’s cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee.

Legal Services – \$0

Agency budgets are adjusted to reflect each agency’s anticipated share for legal service charges from the Attorney General’s Office. Although there is no adjustment (up or down) in OSPI’s charges due to anticipated legal services, the budget provides Maintenance Level funding for a specific legal case that has already been filed (as noted below).

Administrative Hearings – (\$201,000)

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings.

DES Central Services – (\$4,000)

Agency budgets are adjusted to update each agency's allocated share of charges and to align with anticipated billing levels from the Department of Enterprise Services.

Audit Services – (\$1,000)

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits.

BUDGET DETAILS: MAINTENANCE LEVEL CHANGES

In addition to policy decisions, both enhancements and spending reductions, each year the Legislature's budget includes a series of "Maintenance Level" adjustments. These are costs—positive or negative—of mandatory caseload, enrollment, inflation, and other legally unavoidable costs to maintain the current budget. Below are the Maintenance Level items included in the K–12 section of the 2018 Supplemental Operating Budget—adjustments which result in a net increase of \$25.1 million.

Prior School Year Adjustments – \$53.6 million

The state operates on a fiscal year of July 1 to June 30, while school districts operate on a school year of September 1 to August 31. The 2018 Supplemental Operating Budget reflects final adjustments for actual expenditures in the 2016–17 school year.

Staff Mix – \$25.0 million

Funding is adjusted for the 2017–18 school year to reflect changes in Certificated Instructional Staff compensation due to changes in average teacher experience levels.

K–12 Salary Inflation – \$10.3 million

The 2018 Supplemental Operating Budget provides funding for Cost of Living Adjustments (COLAs), based on projected increases in the Implicit Price Deflator based on the February 2018 economic forecast.

Student Transportation – \$10.2 million

Funding is adjusted for student transportation costs in the 2017–18 and 2018–19 school years, using the Student Transportation Allocation Reporting System (STARS).

STARS funding uses a regression analysis on individual school district characteristics to determine an expected cost of operations along with an efficiency rating system.

Special Education Safety Net – \$5.0 million

Funding is adjusted for the special education safety net so that districts demonstrating extraordinary special education program costs exceeding state and federal funding allocations may receive necessary funding. This item reflects adjustments to safety net allocations based on historical trends.

K–12 Inflation—MSOC – \$3.9 million

Funding for Materials, Supplies & Operating Costs reflect adjustments to inflation, based on the Economic and Revenue Forecast Council's February 2018 forecast.

Bus Depreciation – \$3.5 million

OSPI makes payments to school districts for district-owned school buses based on a 13-year or 8-year depreciation cycle. Funding is adjusted to reflect updates to projected bus depreciation payments since the passage of the 2017–19 Operating Budget.

Small School Factor – \$1.8 million

The 2018 Supplemental Operating Budget adjusts allocations for the small school factor. The allocation for small schools' Certificated Instructional Staff and Certificated Administrative Staff units are assumed to decrease slightly for the 2017–18 and 2018–19 school years.

***Madison v. OSPI* – \$575,000**

Funding is provided for estimated legal services costs by the Attorney General's Office due to a class action complaint against OSPI filed by the American Civil Liberties Union. The lawsuit was filed on behalf of students who require special education services and reside in the Pasco or Yakima school districts. The Attorney General's Office estimates legal services costs of \$269,000 in Fiscal Year 2018 and \$313,000 in Fiscal Year 2019. OSPI's current legal services allocation is not sufficient to fund the defense of the lawsuit.

National Board Bonus – \$7,000

Bonuses for teachers who are certified by the National Board for Professional Teaching Standards are paid at the end of each school year in the following fiscal year. Funding

is provided to reflect an assumed increase in National Board-certified teachers beyond the projection in the underlying 2017–19 Operating Budget. (The budget also increased the bonus amount in the 2018–19 school year from \$5,381 to \$5,397.)

Enrollment/Workload Adjustments – (\$58.6 million)

Funding is adjusted to the February 2018 Caseload Forecast Council’s adopted forecast.

Local Effort Assistance – (\$27.3 million)

Local Effort Assistance (LEA or “levy equalization”) is reduced to reflect updated information regarding school district levies and projected assessed valuations.

Pension Shift – (\$2.9 million)

The underlying 2017–19 Operating Budget shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement in the education section of the budget.

K–12 Inflation – (\$15,000)

Funding reductions reflect adjustments to inflation, based on the Economic and Revenue Forecast Council’s February 2018 forecast.

BUDGET DETAILS: ADDITIONAL COMPENSATION

Fringe Benefit Allocations

Fringe benefit allocations are provided in the underlying 2017–19 Operating Budget. For Certificated Instructional Staff, allocations provided were 22.85 percent in both the 2017–18 and 2018–19 school year. For Certificated Administrative Staff, allocations provided were 21.10 percent in both the 2017–18 and 2018–19 school year. The 2018 Supplemental Operating Budget provides increases in the 2018–19 school year to: 23.01 for Certificated Instructional Staff; and 21.17 for Certificated Administrative Staff.

Insurance Benefit Allocations

The maintenance rate for insurance benefit allocations in the underlying 2017–19 Operating Budget is \$780.00 per month for the 2017–18 and 2018–19 school years. Appropriations provided, however, reflected the incremental

change in the cost of allocating rates of \$820.00 per month for the 2017–18 school year and \$840.00 per month for the 2018–19 school year. The 2018 Supplemental Operating Budget increases health care benefits in the 2018–19 school year from \$840.00 per month to \$843.97 per month.

Additional proviso language was added regarding health benefits. The new budget stipulates that when bargaining for health benefits funding for the School Employees’ Benefits Board during the 2017–19 fiscal biennium, any agreed upon proposal must assume the imposition of a \$25.00 per month surcharge payment from members who use tobacco products and a surcharge payment of not less than \$50.00 per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the Public Employees’ Benefits Board plan with the largest enrollment. The surcharge payments must be collected in addition to the member premium payment.

Retiree Subsidy

The 2018 Supplemental Operating Budget provides increases for Medicare-eligible retired or disabled school employees from up to \$150.00 per month in calendar year 2018, up to \$168.00 per month in calendar year 2019.

Health Care Carve-out

The underlying 2017–19 Operating Budget required school districts and ESDs to remit funding to the Health Care Authority for the health care “carve-out.” As adopted, the carve-out was \$64.07 per month, beginning September 1, 2017, and \$68.67 per month, beginning September 1, 2018. The 2018 Supplemental Operating Budget increases the required carve-out to \$71.08, beginning September 1, 2018.

PERS & TRS Plan 1 Benefits

Funding is appropriated to implement SSB 6340, which provides a 1.5 percent benefit increase for eligible Public Employees’ and Teachers’ Retirement System Plan 1 members, up to a maximum of \$62.50 per month.

Paid Family Leave

Funding is provided for Paid Family and Medical Leave employer premiums, as required under SSB 5975 (2017).

ADDITIONAL DETAILS

~~Hold Harmless~~ VETOED

The *McCleary* Education Funding Plan (EHB 2242) adopted last session included a “hold harmless” provision intended to guarantee that no school district would receive less funding under the new system in 2018–19, than it would have received under the law in place on January 1, 2017. The language specified, however, that the hold harmless provision applied to salary allocations only. Legislators (after the fact) argued the hold harmless would protect districts from losing total funding—although the law clearly stated otherwise.

Governor Inslee understood the inconsistency and tried to solve the problem. In his 2018 Supplemental Operating Budget request he included a new “total revenue” (that is, state basic education allocations + local levies + Local Effort Assistance) hold harmless, and the final adopted budget included this provision. Unfortunately, the provision included language that assumed the levy cliff was implemented and used that as the baseline for any hold harmless payment.

The *McCleary* “fix” bill (E2SSB 6362) adopted this session includes a similar total revenue hold harmless provision; however, it clarifies funding and actual levy/LEA collections in the 2017–18 school year is the baseline to determine whether a district is eligible for any hold harmless payment. Additionally, the hold harmless applies for two years, 2018–19 and 2019–20.

Because the hold harmless in the budget was in conflict with the hold harmless adopted in E2SSB 6362—and because the budget language used post-levy cliff funding as the hold harmless baseline—WASA, along with our school director colleagues at WSSDA, urged the governor to veto the budget provision. The governor concurred and vetoed the budget language. In his veto message, Governor Inslee stated that the budget language would “hold districts harmless to a baseline that assumes the levy cliff would go into effect—a decision that the Legislature chose last year not to implement.”

Dedicated *McCleary* Penalty Account

The 2018 Supplemental Operating Budget creates a new Dedicated *McCleary* Penalty Account. The amount

appropriated from the General Fund to the new Account equals the monetary sanctions ordered by the Supreme Court in *McCleary v. State* (\$100,000 per day), as of June 30, 2018. For Fiscal Year 2019, funds are appropriated from the Account for the following basic education enhancements: the increased special education multiplier; adjustments to regionalization factors; and increases in K–12 salary allocations.

Apportionment System

OSPI is appropriated funding (\$1.7 million) to maintain its apportionment system.

Enrichment Levy Compliance

Funding is provided to OSPI (\$1.0 million) to review the use of local revenues for compliance with enrichment requirements, including the pre-ballot approval of enrichment levy spending plans approved by OSPI, and any supplemental contracts.

Pupil Transportation

Funding authority is shifted from Fiscal Year 2018 to Fiscal Year 2019, for activities related to a study of the current state pupil transportation funding formula. There is no increase or decrease in funding levels.

Align Fund Sources

An adjustment is made to align fund sources, increasing appropriations from the Education Legacy Trust Account, and decreasing allocations from the General Fund. There is no fiscal impact to OSPI or the overall K–12 education budget.

Education Opportunity Gap

The underlying 2017–19 Operating Budget provided funding to support the ongoing work of the Education Opportunity Gap Oversight and Accountability Committee (EOGOAC). The 2018 Supplemental Operating Budget includes new proviso language (but no new funding) which specifies the EOGOAC must review the rules and procedures adopted by OSPI and the State Board of Education related to the minimum number of students to be used for public reporting and federal accountability purposes. By October 30, 2018, the EOGOAC must report to OSPI, the State Board of Education, and the Legislature with its recommendations for the state to meet the following goals: Increase the visibility of the opportunity gap in schools with small subgroups of students; hold

schools and school districts accountable to individual student-level support; and comply with federal student privacy laws.

Transition Planning

Proviso language requires OSPI, in collaboration with the Department of Social and Health Services, Developmental Disabilities Administration, and Division of Vocational Rehabilitation, to explore the development of an implementation plan to build statewide capacity among school districts to improve transition planning for students in special education who meet criteria for services from the Developmental Disabilities Administration. All school districts must be provided with an opportunity to participate. A plan is required to be submitted by November 1, 2018, and a final report must be submitted by November 1, 2020, to the governor and the Legislature.

CTE Course Alignment

New proviso language requires OSPI to ensure Career and Technical Education courses are aligned with high-demand, high-wage jobs. OSPI must verify that the current list of Career and Technical Education courses meets the criteria established in law and is required to remove from the list any course that no longer meets the criteria.

Education Budget Provisos

OSPI is provided with the opportunity to develop recommendations to amend long-standing provisos within Part V (Education) of the Operating Budget. OSPI must make recommendations, to include rationale why each proposed change should be made, to the Office of Financial Management and the Legislature by July 1, 2018.

Transportation Bus Services

The 2018 Supplemental Operating Budget requires OSPI to coordinate with school districts and ESDs that contract for transportation bus services and report the following information to the Legislature by December 1, 2018:

- the number of transportation contract employees by job category;
- the total cost of the transportation contract, including the amount held by the school district or ESD for administration of the contract;
- information about the retirement benefit for transportation contract employees, including the name of the provider, the aggregate amount

provided, and the amounts provided by employees;

- information about the total health care benefit provided to transportation contract employees, including the name of the provider and the summary of benefits; and
- a copy of the transportation contract.

Vocational Funding Enhancements

OSPI is required to:

- make recommendations on the best methods to provide and fund vocational funding enhancements for Career and Technical Education and career-connected learning through Alternative Learning Experience courses;
- solicit and incorporate input received from the Online Learning Advisory Committee in making its report recommendations; and
- submit a report of recommendations to the Legislature by December 15, 2018.

Federal Forest Revenues

Proviso language in the 2018 Supplemental Operating Budget clarifies that funding provided is sufficient to provide full general apportionment payments to school districts eligible for federal forest revenues. Additional language specifically stipulates: “For the 2017–19 biennium, general apportionment payments are not reduced for school districts receiving federal forest revenues.”

High School Assessment System

In 2017, the Legislature adopted ESHB 2224, which reformed the current high school assessment system, providing flexibility in high school graduation requirements. One of the provisions was the elimination of the Collection of Evidence as an alternative assessment. A savings of \$12.7 million was “booked” in the 2017–19 Operating Budget (along with an estimated additional savings of \$15.2 million in 2019–21, as a part of the four-year outlook) due to the ESHB 2224 fiscal note submitted by OSPI.

The 2018 Supplemental Operating Budget includes new proviso language regarding this assumed savings. OSPI, by November 1, 2018, is required to review its fiscal note and report to the Legislature on which actions detailed in the fiscal note were taken to achieve the savings estimated and

the actual savings achieved. For those actions provided in the fiscal note that were not taken and for which no savings were achieved, OSPI must explain why those actions were not taken. Additionally, by November 1, 2018, OSPI is required to submit a detailed plan on how the agency will achieve all of the savings estimated in the fiscal note for the 2019–21 biennium.

Tax Structure Study

The 2017–19 Operating Budget included proviso language requiring the House of Representatives to establish a Tax Structure Reform Work Group. One House member from each political caucus must be appointed by the Speaker of the House to serve as a Work Group and facilitate public discussions throughout the state regarding Washington’s tax structure. As part of this effort, the Work Group may hold up to seven public meetings in geographically dispersed areas of the state throughout the 2017–19 fiscal biennium. These discussions may include but are not limited to the advantages and disadvantages of the state’s current tax structure and potential options to improve the current structure for the benefit of individuals, families, and businesses in Washington state. The House’s Office of Program Research will staff the Work Group. The Work Group is not required to issue any formal report; however, they may report to the House of Representatives Finance Committee and other House of Representatives Committees upon request of Committee Chairs.

While the underlying two-year budget required the establishment of this Work Group, no funding was provided. The 2018 Supplemental Operating Budget provides \$27,000 to the House of Representatives to implement the Tax Structure Reform Work Group and to facilitate meetings.

Breakfast After the Bell

In addition to the funding provided to OSPI to implement 2ESHB 1508 (as noted above), the Joint Legislative Audit & Review Committee is provided with \$32,000 to conduct an analysis of the Breakfast After the Bell program. A report is required to be submitted to the Legislature by December 1, 2026.

Charter School Audit

Legislation was adopted in 2016, to authorize publicly funded charter schools (E2SSB 6194). The new law added a requirement for charter schools to contract for

independent performance audits after the second year following the first school year of full operation and every three years thereafter. The performance audit must be conducted in accordance with United States General Accounting Office Government Auditing Standards.

The underlying 2017–19 Operating Budget provided funding to the State Auditor’s Office to conduct a performance audit of Washington charter public schools. Proviso language explicitly clarified the performance audit conducted by the State Auditor will satisfy the requirement to contract for an independent performance audit.

The final report of the performance audit was required to be submitted to the Legislature by June 30, 2018. The audit was required to include eight schools and, subject to the availability of data, was required to address a series of specific questions. (For additional details, see WASA’s 2017 End of Session Legislative Report.)

The 2018 Supplemental Operating Budget retained the required performance audit; however, two specific changes were made. First, the deadline for the required report is delayed until December 31, 2018. Second, the audit must include ten, rather than eight, charter schools currently in operation.

Youth Gangs

The 2017–19 Operating Budget provided funding to the Department of Commerce to create El Nuevo Camino Pilot Project to address serious youth gang problems in midsize counties in Eastern Washington. The 2018 Supplemental Operating Budget retained this pilot project; however, additional proviso language is included.

The new language specifically requires partners, grant recipients, prosecutors, mental health practitioners, schools, and other members of El Nuevo Camino Pilot Project, to ensure that programs, trainings, recruiting, and other operations for El Nuevo Camino Pilot Project prohibit discriminatory practices, including biased treatment and profiling of youth or their communities. It also specifically states that anti-discriminatory practices prohibit grant recipients or their partners from using factors such as race, ethnicity, national origin, immigration or citizenship status, age, religion, gender, gender identity, gender expression, sexual orientation, and disability in guiding or identifying affected populations.

Homeless Youth Survey

The 2018 Supplemental Operating Budget provides the Office of Homeless Youth Prevention and Protection Programs (within the Department of Commerce) with \$20,000 to conduct a survey of homeless youth service and informational gaps, especially in nonurban areas, with an emphasis on providing nonurban school districts with adequate informational resources related to homeless youth and youth in crisis services available in their community.

Homeless Youth Work Group

Proviso language (without funding) adopted in the 2018 Supplemental Operating Budget requires the Department of Children, Youth, and Families, in collaboration with OSPI, the Department of Commerce Office of Homeless Youth Prevention and Protection Programs, and the Student Achievement Council, to convene a Work Group aligned with nongovernmental agencies, to create a plan for children and youth in foster care and children and youth experiencing homelessness to facilitate educational equity with their general student population peers and to close the disparities between racial and ethnic groups by 2027.

The Work Group's specific duties, which are detailed in the budget proviso, include: the exploration of the option of creating a specific statewide school district that supports the needs of and tracks the educational progress of children and youth in foster care and children and youth experiencing homelessness; identification of where opportunities exist to align policy, practices, and supports for students experiencing homelessness and foster students; and outlining recommendations that can be implemented using existing resources and regulations and recommendations which require policy, administrative, or resource adjustments.

By December 17, 2018, the Work Group must provide a report to the Legislature, along with its analysis, the recommended plan, and any legislative and administrative changes needed to facilitate educational equity for children and youth in foster care and children and youth experiencing homelessness with their general student population peers by 2027.

Armistice Day Grant

The Department of Commerce is provided with \$250,000 for Armistice Day activities in schools and other community

settings to celebrate the 100th anniversary of World War I and Armistice Day. Funding will assist a World War I America museum exhibit, new curriculum, teacher training, student and classroom visits, and visits for veterans and active duty military.

Tax Database VETOED

As adopted, the 2018 Supplemental Operating Budget provided the Department of Revenue with \$150,000 to create a publicly available online searchable database of all state and local taxes and tax rates for each taxing district. At a minimum, the database was required to include: state and local sales and use taxes; state and local regular and excess property taxes (including school district levies); state and local business taxes; state and local real estate excise taxes; and state and local motor vehicle taxes and fees.

Prior to signing the budget, Governor Inslee vetoed this section. In his veto message, Inslee stated the required database was the same as would have been required by SB 6590 (which failed to be adopted). He noted SB 6590 had a fiscal note of \$1.2 million and said that the project could not be done for the \$150,000 provided in the budget.

Individual Health Market

The Office of the Insurance Commissioner is provided with \$29,000 to implement ESSB 6241 (amending the School Employees' Benefits Board). Among other things, ESSB 6241 includes a requirement that health carriers offer qualified health plans in counties where they offer a health plan approved by the School Employees' Benefits Board.

Youth Voter Registration

The Economic Services Administration within the Department of Social & Health Services is provided with \$72,000 to implement 2SHB 1513, which requires certain state agencies that offer voter registration services to ask their clients if they want to sign up to register to vote, including 16- and 17-year old clients who have the option to preregister to vote. 2SHB 1513 also requires social studies teachers, on the annual Temperance and Good Citizenship Day, to coordinate a voter registration event in each history or social studies class attended by high school seniors. There is no additional funding provided in the budget for this requirement, however.

Indian Health Council

The 2018 Supplemental Operating Budget provides \$200,000 to the Health Care Authority to convene and provide analytic, technical, and communication support to the Governor's Indian Health Council. The Council is comprised of a number of stakeholders including OSPI.

School Employees' Benefits Board

In the underlying 2017–19 Operating Budget, the Health Care Authority (HCA) was provided with an \$8.0 million appropriation from the General Fund to implement the School Employees' Benefits Board (SEBB), as created by EHB 2242 last session. The 2018 Supplemental Operating Budget strikes the \$8.0 million General Fund appropriation and moves it into the newly created School Employees' Insurance Program to enhance transparency and improve budget tracking. Another \$20.7 million (for a total of \$28.7 million) is appropriated to implement the SEBB and the SEBB Insurance Program. A "back of the budget" proviso, however, takes the \$28.7 million General Fund appropriation and transfers it into a new School Employees' Insurance Administrative Account. \$28.7 million, from the School Employees' Insurance Administrative Account, is then provided to HCA to fund start-up costs of the SEBB. Proviso language specifies it is the Legislature's intent that this appropriation, plus interest, be repaid into the General Fund during the 2019–21 biennium.

Life Skills Training

The Community Behavior Health Program, within the Health Care Authority, is provided \$250,000 for a grant to OSPI to provide life skills training to children and youth in schools that are in high needs communities. This funding comes from the Dedicated Marijuana Account.

Resource Officers

\$2.5 million is provided to the Community Behavior Health Program, within the Health Care Authority, for grants to community-based programs that provide prevention services or activities to youth, including programs for school-based resource officers. This funding comes from the Dedicated Marijuana Account.

Mass Shootings Work Group

The Washington Association of Sheriffs and Police Chiefs, through the Washington State Criminal Justice Training Commission, is provided with \$50,000 to convene a Work Group to develop strategies for identification

and intervention against potential perpetrators of mass shootings, with an emphasis on school safety. Required participants of the Work Group include OSPI and the School Safety Center Advisory Committee.

The Work Group is required to make recommendations regarding:

- strategies to identify persons who may commit mass shootings associated with K–12 schools and colleges and universities;
- a survey of services around the state available for those experiencing a mental health crisis;
- a survey of state and federal laws related to intervening against potential perpetrators or confiscating their firearms; and
- strategies used by other states or recommended nationally to address the problem of mass shootings.

The Work Group is required to submit a report, which may include findings, recommendations, and proposed legislation, to the Legislature by December 1, 2018.

Youth Suicide Prevention

The Department of Health is provided with \$200,000 for a grant to the local health jurisdiction in Benton and Franklin Counties to expand its youth suicide prevention activities and to serve as a case study to identify best practice materials, training, intervention practices, and promotional strategies that can be replicated in other local health jurisdictions.

The funding provided must be used for the following activities:

- Prior to September 1, 2018, the Benton-Franklin local health jurisdiction must document the materials, training, intervention practices, and promotional strategies for youth suicide prevention that are available within Benton County and Franklin County.
- Prior to October 1, 2018, the Benton-Franklin local health jurisdiction must host a summit about the issue of youth suicide prevention. The summit must include attendees from schools, health care organizations, nonprofit organizations, and other relevant organizations from Benton County and Franklin County.

- Prior to November 1, 2018, the Benton-Franklin local health jurisdiction must complete a plan for expanding youth suicide prevention that is based primarily on the survey of summit attendees. For each investment, the plan must describe the amount of funding utilized, as well as the expected results. The plan must be shared with the Office of Financial Management and the Legislature by November 10, 2018.

A final report summarizing the work completed must be provided to the Office of Financial Management and the Legislature by June 30, 2019. The final report must include a description of outcomes that can be measured and linked to the expansion of youth suicide prevention activities funded by this grant. The final report will serve as a guide for further expansion of youth suicide prevention in Benton-Franklin or other local health jurisdictions.

Expanded Learning Opportunities

The underlying 2017–19 Operating Budget provided \$750,000 to the Department of Early Learning to implement the Early Achievers Expanded Learning Opportunity Quality Initiative pilot program, in conjunction with OSPI. The pilot program will test the implementation of the Early Achievers system for school-age child care providers.

The 2018 Supplemental Operating Budget provides the \$750,000 appropriation to the new Department of Child, Youth, and Families to continue the pilot program.

Unemployment Insurance

The Employment Security Department is provided with \$530,000 to implement SHB 2703, which changes unemployment insurance claims for school employees, as required by rules published by the U.S. Department of Labor. The funding will allow the Employment Security Department to make changes to the information technology system for calculating unemployment benefits.

Native American Curriculum

Funding is provided to the State Board for Community and Technical Colleges (\$42,000), the University of Washington (\$81,000), Washington State University (\$15,000), Eastern Washington University (\$20,000), Central Washington University (\$76,000), and Western Washington University (\$24,000) to implement SB 5028. The bill requires teacher preparation programs to integrate Native American

curriculum, developed by OSPI, into existing history and government course requirements.

MESA Program

The First Nations Mathematics, Engineering, Science Achievement (MESA) program is provided with \$135,000 (through the University of Washington). The program in the Yakima Valley provides enrichment opportunities in science, technology, engineering, and mathematics for students in grades K–12.

Game On! Program

One-time funding (\$200,000) is provided to Central Washington University for the Game On! Program, which teaches leadership, science, technology, engineering, and mathematics to underserved middle and high school students.

Truancy Reduction

The 2016 Supplemental Operating Budget appropriated \$1.1 million to implement 2SHB 2449 (2016), which was a comprehensive overhaul of laws and school district requirements related to school attendance and truancy. Part of that funding (\$48,000) was provided to the Washington State Institute for Public Policy (WSIPP), via The Evergreen State College, to evaluate the effectiveness of 2SHB 2449.

The 2018 Supplemental Operating Budget provides WSIPP an additional \$131,000 to continue its review and evaluation. The final report must be submitted to the Legislature in 2021.

Information Technology

The underlying 2017–19 Operating Budget provided \$8.2 million to the Office of Financial Management and an initial appropriation to a new Information Technology Investment Account. The 2018 Supplemental Operating Budget appropriates an additional \$6.9 million to complete a series of new information technology projects, including a required data center migration at OSPI and a required website upgrade at OSPI for Americans with Disabilities Act (ADA) compliance.

2017–19 Capital Budget: SSB 6090

2018 Supplemental Capital Budget: ESSB 6095

The 2017 Legislature—for the first time in state history—failed to adopt a two-year Capital Construction Budget. Why? Due to a controversy over a Supreme Court decision impacting water rights. In October 2016, the Supreme Court ruled on a case (*Whatcom County v. Hirst*, known as *Hirst* or the *Hirst* decision) that changed how counties decide to approve or deny building permits that use wells for a water source. Prior to *Hirst*, counties would consult with the Washington Department of Ecology when deciding whether water was available to allow drilling of “exempt” wells. A well that draws no more than 5,000 gallons of water daily for residential use is considered an exempt well—meaning, it is exempt from the same level of permitting that requires a water right.

The *Hirst* decision required counties to independently verify the availability of water, instead of relying on information from Ecology. Opponents argued this made it nearly impossible for a property owner to get permission to drill an exempt well. In fact, many counties, because they do not have the personnel or funding to make the necessary decisions about wells, issued temporary laws restricting building that relies on groundwater wells.

“Fixing” *Hirst* became a major priority of Senate Republicans (who controlled the chamber last session) and they decided to hold the Capital Budget hostage to force the issue. Their argument was simple: “If families can’t build, the state should not be able to build.” Negotiators worked throughout the Session to reach a compromise, but an acceptable solution was elusive. In the waning hours of the Third Special Session of the 2017 Legislature, *Hirst* negotiators announced they had reached an impasse and agreed they would not find a compromise before the Special Session (and the 2017 Session) closed.

At about the same time, Capital Budget negotiators agreed to a final, compromise (and complete) 2017–19 Capital Budget (SB 5981). Unfortunately, this agreement was moot because a Capital Budget wouldn’t be adopted absent a *Hirst* fix. Legislators did ultimately adopt a Capital Budget last year (ESSB 5965); however, it simply adjusted the

2015–17 Capital Budget and re-appropriated funds in 2017–19, to continue projects authorized in prior biennia. No new projects were authorized or funded. (For additional details, see WASA’s 2017 End of Session Legislative Report.)

Hirst negotiators continued to meet during the interim. For several months there were continuing rumors that they were “close” to an agreement, followed by reports later that they were no closer to a solution than before. Following the special election in the 45th Legislative District—with Democrats capturing the seat and therefore taking control of the Senate—there were reports of an imminent Special Session (word was Senate Democratic leadership told their members to make themselves available the first week of December). The apparent plan was to force the issue and take action on a complete Capital Budget with or without a *Hirst* fix. Democrats, with a new majority in the Senate (and a continuing majority in the House), could adopt a 2017–19 Capital Budget (presumably the bill agreed upon before the 2017 Session adjourned) without the need of any Republican votes. The rumored plan was a bit of an in-your-face powerplay and could risk any hope of bi-partisanship in the 2018 Session.

Ultimately, a Special Session was never called. Adopting a Capital Budget over the Republicans’ objections would be risky, but in the end, it would probably have been all for naught anyway. That is because the bond issue that would have to be adopted to fund most of the Capital Budget requires a 60 percent supermajority vote in both houses. And Republicans publicly stated they would not provide the necessary additional votes for a bond bill without a *Hirst* fix. Adopting a Capital Budget without a bond bill does not really accomplish anything. So, the plan had a huge downside and not much upside. Senate Democrats eventually realized discretion is the better part of valor and aborted any plans for a Special Session.

When the 2018 Session began, there was still no *Hirst* fix in sight; however, all four Caucuses were eager to finish negotiations and move on a Capital Budget because the

pressure was building. Quickly adopting a Capital Budget was a top priority of many, many organizations, including most of the K–12 education community, institutions of higher education, local governments (including cities and counties and the many special purpose districts), along with the building and construction associations (both management and labor).

During the first two weeks of session, talk about *Hirst* was rampant. There were multiple rumors on top of rumors that a *Hirst* compromise was imminent. Word was a deal was struck in the Senate, but it was not supported by the House. Then we heard the House had a deal, but before both houses could confer and agree, the agreement fell apart. We heard the Senate was preparing to run the Capital Budget on the Floor, both the bill and the bond bill, without a *Hirst* bill in-hand, hoping to force the Republicans to either cave or be embarrassed, but the threat was never acted upon. Finally, on Day nine, it was announced negotiators had reached a deal “in principle.” The agreement was delicate and there were fears it could collapse without warning; however, the deal held firm and the final agreement was publicly announced on Day 11.

With a *Hirst* fix nearly in place, Capital Budget bills (and bond bills) moved to the Floor in both houses and were quickly acted upon. In rapid succession, the *Hirst* fix (ESSB 6091), the full 2017–19 Capital Budget (SSB 6090), and the necessary bond bill (E2SHB 1080) were all adopted by both houses and sent to the governor for action.

After the complete 2017–19 Capital Budget was finally put to bed, Capital Budget leads shifted their focus to the supplemental budget. Like any budget, the bill hit some bumps along the way, but eventually a compromise 2018 Supplemental Capital Budget (ESSB 6095) was agreed upon and adopted.

FINAL 2017–19 CAPITAL BUDGET

The final 2017–19 Capital Budget, SSB 6090, is substantially similar to the compromise version of SB 5981 which was negotiated and agreed upon last session. The bill appropriates \$4.2 billion for capital construction across the state. \$2.77 billion in General Obligation bonds are appropriated for the 2017–19 biennium (E2SHB 1080 authorizes \$2.74 billion in bonds, while another \$27 million is from existing bond authority). Another \$1.43 billion is

appropriated from other sources. K–12 education is provided with a total appropriation of \$1.03 billion, with \$933 million going to the School Construction Assistance Program (SCAP).

K–12 EDUCATION DETAILS

- As noted above, \$933 million is provided for the **School Construction Assistance Program (SCAP)**. \$672 million of the appropriation is from state General Obligation bonds and \$260 million from other sources, mostly the Common School Construction Account. Proviso language requires \$1.0 million of the SCAP appropriation to be used for study and survey grants and for completing inventory and building condition assessments for public school districts every six years.
- \$35.0 million is appropriated for **Small Rural District Modernization Grants** to assist small, rural school districts with total enrollments of one thousand students or less, with school facilities with significant building system deficiencies, and with such low property values that replacing or modernizing the school facility through SCAP would present an extraordinary tax burden on property owners or would exceed allowable debt for the district.
 - \$11.2 million of the appropriation is provided for projects in small rural districts where the school facility does not need to be replaced or require an extensive modernization but does have significant building system deficiencies. These grants may not exceed \$5.0 million and OSPI must prepare an expedited grant application process in selecting these grant recipients.
 - \$23.8 million of the appropriation is provided for projects at three specific school districts: Mount Adams (\$14.3 million), South Bend (\$7.7 million), and Lopez Island (\$1.8 million).
- \$21.2 million is provided to support specific projects in **Distressed Schools**:
 - \$19.6 million of the appropriation is provided for Seattle school district to address challenges related to extraordinary growth and to maintain and repair existing buildings. An

- additional \$500,000 is provided for maintenance to improve the health and environment for students and staff at the Eckstein Middle School in Seattle.
- \$1.1 million is provided for the Black Diamond Elementary School in the Enumclaw school district.
 - \$13.0 million is provided for **STEM Classrooms and Labs**. \$2.8 million of the appropriation is specifically provided for the Federal Way school district to merge STEM facilities. \$200,000 of the appropriation must be used for a contract with the STEM Education Innovation Alliance. The remaining funding is provided to OSPI to provide STEM classrooms and labs grants to school districts for public school facilities serving students in grades nine through twelve, to construct classrooms, or labs, as additions to existing school buildings or to modernize specialized STEM facilities.
 - \$10.8 million is appropriated for core growth at the **Tri-Tech Skills Center** (Kennewick). A portion of the funds must be used for a budget evaluation study, using a budget evaluation study team approach incorporating value engineering techniques.
 - \$6.0 million is provided for K–12 construction grants:
 - \$2.0 million is provided for **Emergency Repair Grants** to address unexpected and imminent health and safety hazards at K–12 public schools—including Skills Centers—that will impact the day-to-day operations of the school facility. To be eligible for these grants, an emergency declaration must be signed by the school board and submitted to OSPI. The 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 estimates, and identification of local funding to be applied to the project. Grants of emergency repair moneys are conditioned upon the written commitment and plan of the school board to repay the grant with any insurance payments or other judgments that may be awarded, if applicable.
 - \$3.0 million is provided for **Urgent Repair Grants** to address non-reoccurring urgent small repair projects at public schools—excluding Skills Centers—that could impact the health and safety of students and staff if not completed. OSPI must consult with school district maintenance and operations administrators before developing criteria for providing funding for specific projects through a competitive grant program, including: school districts are to be limited to one grant, not to exceed \$200,000, per three-year period; applications must be prioritized based on limited school district financial resources for the project; and school districts must demonstrate a consistent commitment to addressing school facility needs. Grant applications must include a detailed description of the remedy, with a detailed cost estimate of the repair or replacement, and identification of local funding which will be applied to the project. Grants can be used for: repair or replacement of failing building systems; abatement of potentially hazardous materials; and safety-related structural improvements.
 - \$1.0 million is provided for **Equal Access Grants** for facility repairs and alterations at public schools—including Skills Centers—to improve compliance with the federal Americans with Disabilities Act (ADA) and Individuals with Disabilities Education Act (IDEA). OSPI must develop criteria for providing funding for specific projects through a competitive grant program, including: school districts are to be limited to one grant, not to exceed \$100,000, per three-year period; applications must be prioritized based on limited school district financial resources for the project; and school districts must demonstrate a consistent commitment to addressing school facility needs. Grant applications must include a description of the ADA or IDEA deficiency, with a detailed

description of the remedy and a detailed cost estimate of the repair or replacement. Any local funding to be applied to the project must also be identified. School districts that demonstrate a lack of capital resources to address the compliance deficiencies must be given priority for grant funding.

- OSPI is provided with \$3.6 million for administration of the **Capital Projects Program**. NOTE: The 2018 Supplemental Capital Budget reduced this appropriation by \$210,000.
- \$3.25 million is provided for **Healthy Kids/Healthy Schools** grants. OSPI must consult with school district maintenance and operations administrators along with the Department of Health to develop criteria for providing funding and outcomes consistent with the Healthiest Next Generation priorities. Districts or schools may apply for grants; however, no single district may receive more than \$200,000 of the appropriation. The funding is subject to the following limitations:
 - a maximum of \$1.0 million of the total funding may be used for the replacement of lead-contaminated drinking water fixtures;
 - a maximum of \$1.0 million of the total funding may be used to purchase equipment or make repairs and renovations related to improving children's physical health, such as: fitness playground equipment, covered play areas, and physical education equipment or related structures or renovation;
 - a maximum of \$250,000 of the total funding may be used to purchase equipment or make repairs related to improving children's awareness and participation in sustaining efficient schools and may include but is not limited to: dashboards that display energy savings, composting systems, and recycling stations; and
 - the remaining portion of the appropriation must be used to purchase equipment or make repairs related to improving children's nutrition and may include but is not limited to: garden-related structures and greenhouses to provide students

access to fresh produce, and kitchen equipment or upgrades.

NOTE: The 2018 Supplemental Capital Budget eliminated the maximum grant for replacement of lead-contaminated drinking water fixtures. The maximum award of \$200,000 remains for the other three grants.

- \$3.0 million is provided for minor works projects at **Skills Centers** across the state.
- \$2.0 million is appropriated to support the **Everett Pathways to Medical Education**.
- \$1.8 million is appropriated for an **Agriculture Science in Schools Grant** to the FFA Foundation.
- \$1.0 million is provided for **Career & Technical Education (CTE) Equipment Grants**. \$72,000 of the appropriation is provided for the Bellevue school district for CTE equipment; \$50,000 is provided for the Issaquah school district for CTE equipment; and \$30,000 is provided for the Elma school district for CTE equipment. The remainder of the appropriation is provided to OSPI to provide CTE equipment grants to school districts. OSPI must consult with school districts and the Workforce Training and Education Coordinating Board to develop criteria for providing funding and outcomes for specific projects to stay within the appropriations provided.

In applying for CTE Equipment Grants, districts or schools must demonstrate: the request provides necessary equipment to deliver career and technical education; and a consistent commitment to maintaining school facilities and equipment by participating in OSPI's Asset Preservation Program. (NOTE: The 2018 Supplemental Capital Budget eliminated the requirement to participate in the Asset Preservation Program.) Applicants with a high percentage of students eligible and enrolled in the federal Free and Reduced-price Meal Program must be prioritized.

OTHER DETAILS

- The 2017–19 Capital Budget establishes a **Joint Legislative Task Force on Improving State Funding for School Construction** to comprehensively review and provide recommendations to revamp school construction funding. A specific appropriation for the Task Force is not provided; however, proviso language clarifies that expenses of the Task Force will be paid jointly by the Senate and the House of Representatives.

The Task Force will be comprised of ten members:

- two members from each of the two caucuses of the Senate, representing the Senate Ways & Means Committee and the Senate Early Learning & K–12 Education Committee;
- two members from each of the two caucuses of the House, representing the House Capital Budget Committee and the House Education Committee; and
- two school district members, one representing large school districts and one representing small, rural school districts.

At least three of the legislative members appointed to the Task Force must serve legislative districts located east of the crest of the Cascade mountains. The Chair of the Task Force will be chosen by its members. Additionally, OSPI and the Office of Financial Management must cooperate with the Task Force and maintain liaison representatives, who will be nonvoting members.

In fulfilling its charge, the Task Force may consult with individuals from public schools or related organizations and is authorized to establish an advisory committee for technical advice and assistance.

The Task Force is charged with reviewing the following issues:

- improvements to state financial assistance for K–12 school construction to be implemented over several fiscal biennia;
- utilization of school spaces for multiple purposes;
- school design and construction approaches that support effective teaching and learning by

delivering education through innovative, sustainable, cost-effective, and enduring design and construction methods; and

- recent reports on school construction, including but not limited to the school construction cost study from ESD 112 and the efforts of collecting inventory and condition of schools data by the Washington State University extension energy office.

After reviewing the above issues, the Task Force must recommend a state school construction financial assistance program that: supports the construction and preservation of schools; and balances the state and local share of school construction and preservation costs considering local school districts' financial capacity, based on measures of relative wealth and the state's limited bond capacity and Common School Trust Land revenue.

The Task Force must also, at a minimum, recommend:

- a methodology to project needs for state financial assistance for school construction and preservation over a ten-year period;
- measures of relative wealth of a school district, including but not limited to assessed land value per student, eligible Free and Reduced-price Meal enrollments, income per capita per school district, and costs of construction;
- education specifications recognized by the state for the purpose of providing guidance to school districts when designing school construction projects;
- a capital asset model for K–12 school construction that considers space and usage needs to calculate construction assistance for:
 - new schools to accommodate enrollment growth;
 - major modernization projects to address aging facilities;
 - replacement and renewal of major building systems based on achieving lowest life-cycle building costs, provided that standards of routine maintenance are achieved by local districts;

- specialized facility improvements including but not limited to STEM facilities, Career and Technical Education facilities, Skills Centers, and computer labs; and
- alternative means to fund and accommodate increased classroom capacity to meet K–3 class-size reduction objectives.

The Task Force is required to report its final findings and recommendations to the governor, OSPI, and the Legislature by October 1, 2018.

NOTE: The 2018 Supplemental Capital Budget delayed the Task Force deadline until December 15, 2018.

- The Department of Commerce is provided funding for **Energy Efficiency and Solar Grants** for state agencies, local agencies, public higher education institutions, and school districts. \$7.4 million (\$3.68 in Fiscal Year 2018 and \$3.68 in Fiscal Year 2019) is provided for competitive grants for operational cost savings improvements to facilities and related projects that result in energy and operational cost savings. \$1.75 million is provided for competitive grants for projects that involve the purchase and installation of solar energy systems, including solar modules and inverters, with a preference for products manufactured in Washington. Finally, an additional \$500,000 is provided for resource conservation managers in the Department of Enterprise Services to coordinate with state agencies and school districts to assess and adjust existing building systems and operations to optimize the efficiency in use of energy and other resources in state-owned facilities.
 - An enhancement of \$130.5 million is provided to the Department of Commerce for **Local & Community Projects** across the state. Included is one education-related project: \$97,000 for a pool renovation at the Harrington school district.
 - \$15.5 million for **Early Learning Facility Grants** is provided to the Department of Commerce. \$3.5 million of the appropriation is provided to four specific projects: the Pasco Early Learning Center (\$1.0 million); the Discover! Children’s Museum (\$1.0 million); the West Hills Early Learning Center (\$464,000); and the Franklin Pierce Early Learning Center (\$980,000). In support of E2SHB 1777 (2017), the remaining \$12.0 million is provided for early learning facility grants and loans to provide state assistance for designing, constructing, purchasing, or modernizing public or private early learning education facilities of public schools, ESDs, community colleges, local governments, and private funders.
 - The Department of Natural Resources (DNR) is provided with \$10.0 million for the **Trust Land Transfer** program. Under the program, DNR transfers from trust status certain lands considered to be of statewide significance and deemed appropriate for state parks, fish and wildlife habitat, community forest open space or similar purposes. As part of the program, property must be appraised and transferred at fair market value. By September 30, 2018, the portion of the funds that represent the estimated value of the timber on the transferred property must be deposited in the Common School Construction Account.
- NOTE: The 2018 Supplemental Capital Budget delayed the funding transfer deadline to June 30, 2019.
- \$1.2 million is provided to the Department of Natural Resources (DNR) for **Public School Seismic Safety Assessments**. DNR, in consultation with the Office of Emergency Management, OSPI, and the State Board of Education, is required to develop a prioritized seismic risk assessment that includes seismic safety surveys of public facilities that are subject to high seismic risk as a consequence of high earthquake hazard and soils that amplify that hazard. Facilities that have a capacity of 250 or more persons and are routinely used for student activities by K–12 public schools have the first priority. The statewide seismic needs assessment must be submitted to the Office of Financial Management and the Legislature by October 1, 2018.
- NOTE: The 2018 Supplemental Capital Budget made several changes to the proviso language in this section. It is clarified that, at a minimum, twenty-five public school facilities with 250 or more persons

must be surveyed. Public school facilities with a capacity of fewer than 250 persons are added as a second priority for surveying. Additionally, the survey is required to be a representative sample of urban and rural school districts located in different geographical areas of the state.

DNR has an added responsibility to submit survey data to OSPI in a format compatible with the inventory and condition of schools database. DNR is required to enter into an agreement with OSPI to make any necessary modifications to the inventory and condition of schools database to receive and report the seismic survey data. Both DNR and OSPI are required to provide technical assistance to the school facilities sampled to incorporate survey information into their school safety plans.

Finally, in addition to a delayed deadline for a final report (June 30, 2019), a preliminary progress report must be provided to the Legislature by October 1, 2018.

FINAL 2018 SUPPLEMENTAL CAPITAL BUDGET

The final 2018 Supplemental Capital Budget, ESSB 6095, appropriates \$414.6 million, beyond the underlying two-year, 2017–19 Capital Budget adopted earlier this session and described above. The total spending consists of \$198.1 million in General Obligation bonds and \$216.7 million from dedicated accounts (a combination of \$152.1 million in “cash” and another \$64.6 million in authorized alternatively financed projects). K–12 education is provided with an additional \$46.3 million above the underlying 2017–19 Capital Budget. It is interesting (and a bit frustrating) to note that the final budget appropriated more funding than either the Senate’s original proposal or the House’s response, yet the final funding for K–12 construction projects (a professed priority) is less than either house originally proposed.

K–12 EDUCATION DETAILS

- The **School Construction Assistance Program (SCAP)** is appropriated an enhancement of \$16.2 million to cover additional school construction projects not accounted for in the underlying two-year budget—both funding released by OSPI in July 2017, and funding for the anticipated list of projects released by OSPI in July 2018. The increased

amount will also provide additional funding for projects in eight school districts which had escalated costs due to delays in school construction in Fiscal Year 2018 (because the Legislature failed to adopt its two-year budget until this session): Brewster, Carbonado, Cashmere, Chehalis, Cosmopolis, East Valley, North Franklin, and Reardan school districts.

- **Distressed Schools** funding is increased by \$24.3 million. The enhancement is provided for specified projects in an additional four school districts:
 - \$7.9 million is provided for the Frantz H. Coe Elementary School in Seattle school district;
 - \$3.5 million is provided for the auditorium at Chief Leschi School;
 - \$2.9 million is provided for the Glacier-site Middle School in Highline school district; and
 - \$10.0 million is provided to Toledo school district to construct a new high school and to modernize the existing high school gym. For Toledo to access the appropriation, they must provide a local match equivalent to at least \$7.0 million by June 30, 2019. Toledo’s local match may consist of cash; or furniture, finishes, and equipment; or like-kind.

- **Small, Rural District Modernization Grants** are increased by \$6.0 million. \$4.2 million of the enhancement is set aside for the competitive grant program with additional funding being directed to additional specific projects. \$1.3 million is provided for the Damman School in Ellensburg and \$576,000 is provided for the Wishkah Valley School in Aberdeen.

New proviso language for the Small, Rural District Modernization Grant program is also added in the budget which requires OSPI to expedite and streamline SCAP administrative requirements, timelines, and matching requirements for these projects to ensure funding is provided promptly.

OTHER DETAILS

- The Department of Natural Resources (DNR) is provided with \$555,000 to conduct an **asset valuation of state lands and state forestlands** held in trust and managed by DNR. DNR must: describe

all trust lands, by trust, including timber lands, agricultural lands, commercial lands, and other lands, and identify revenues from leases or other sources for those lands; and the income from these trust lands, and potential enhancements to income, including intergenerational income, from the asset bases of these trusts.

The required analysis must estimate: the current fair market value of these lands for each trust beneficiary; and the value of ecosystem services and recreation benefits for asset classes that produce these benefits. For each of the different asset classes and for each of the various trusts, the analysis must calculate the average annual gross and net income as a percentage of estimated current asset value.

DNR must provide a progress report to the Legislature by December 1, 2018. A follow-up progress report and any initial recommendations must be provided by December 1, 2019. A final report must be submitted by June 30, 2020, and must include options to:

- improve the net rates of return on different classes of assets;
 - increase the reliability of, and enhance if possible, revenue for trust beneficiaries; and
 - present and explain factors that either define, constrict, or define and constrict DNR's management practices and revenue production.
- The Department of Natural Resources (DNR) is provided with \$17.7 million to develop and construct an irrigation system, known as the **Paterson Pipeline**, to deliver water from existing water rights owned by DNR from the Columbia River to Common School Trust Lands.

The development and construction of the Paterson Pipeline must be reviewed and approved by the Board of Natural Resources. Any investment in the Paterson Pipeline with moneys belonging to an asset of the Common School Trust constitutes a loan from the Common School Trust and may be made only if first determined to be a prudent investment by the Board of Natural Resources.

In establishing this loan, a payment of principal and annual interest of no less than three percent and up to six percent on remaining principal of the loan must be paid annually to be disbursed as follows:

- the principal portion of the payment must be deposited into the Natural Resources Real Property Replacement Account and credited to the Common School Trust; and
- the interest portion of the payment must be deposited into the Common School Construction Account.

Proviso language contained in this budget states that provisions regarding review and approval of the Paterson Pipeline, improvements to Common School Trust Lands by the Paterson Pipeline and associated increased value of those lands, eventual loan repayment to the Common School Trust assets held in the Natural Resources Real Property Replacement Account, and interest to the Common School Construction Account ensure that the beneficiaries of the Common School Trust are protected. If, however, funds are not sufficient to repay the loan, DNR is required to explore and report alternative solutions to the Legislature.

Education-Related Bills That Passed—Titles

During the 2018 Legislative Session, over 1,400 bills, resolutions, and memorials were introduced—for a total of almost 4,500 pieces of legislation introduced during the two-year session. Of those, 308 were adopted by the 2018 Legislature (with two being vetoed by the governor, leaving 306 bills enacted). In 2018, WASA staff monitored over 500 bills, resolutions, and memorials that had a direct or potentially indirect impact on K–12 education. Ultimately, 44 education-related bills of importance were adopted.

Following is a description of those education-related bills that survived the legislative journey and were adopted. The description shows the bill’s prime sponsor and notes the session law chapter number. *

E2SHB 1080.....	Capital construction bonds	SB 5028	Native American curriculum
3SHB 1169.....	Student loan assistance	SSB 5064	Student freedom of expression
2SHB 1298.....	Fair Chance Act	ESB 5917	IB exam credit
2SHB 1377.....	ESA services	ESSB 6002.....	Voting Rights Act
ESHB 1434.....	Shared leave	ESSB 6032.....	2018 Supplemental Operating Budget
2ESHB 1508.....	Breakfast After the Bell	SSB 6090.....	2017–19 Capital Budget
2SHB 1513.....	Youth voter registration	ESSB 6095.....	2018 Supplemental Capital Budget
SHB 1539.....	Sexual abuse of students	SSB 6133.....	CTE course equivalency
E2SHB 1561.....	Open education resources	SB 6134	Alternative Learning Experiences
E2SHB 1600.....	Career & college readiness	SB 6136	AP computer science equivalencies
2SHB 1896.....	Civics education	E2SSB 6162.....	Dyslexia
ESHB 2408.....	Individual market health care coverage	SB 6210	Tribal school retirement
ESHB 2610.....	School meal payment	ESB 6229	Bargaining representative access
ESHB 2684.....	Foster students	ESSB 6241	SEBB
SHB 2685.....	High school pre-apprenticeships	ESSB 6257	Early intervention services
SHB 2686.....	High School & Beyond Plans	SSB 6340	PERS 1 and TRS 1 benefit increase
HB 2702.....	Family & Medical Leave	E2SSB 6362.....	Basic education funding
SHB 2703.....	Unemployment compensation claims	SSB 6388.....	Paraeducators
HB 2751.....	Union dues	SB 6471	Sexual harassment policies
E2SHB 2779.....	Children’s mental health services	SSB 6474.....	Tribal Compact Schools pilot
SHB 2824.....	OSPI & SBE duties	E2SSB 6529.....	Pesticide application
SHB 3002.....	Budget Stabilization Account	ESSB 6614.....	State Property Tax

*NOTE: Much of the text in the following descriptions has been adapted from bill reports prepared by non-partisan committee staff. Their assistance is appreciated.

Education-Related Bills That Passed

E2SSB 1080—Capital construction bonds

(Representative Tharinger, by request of Office of Financial Management)

C3 L18

This is the bill to authorize the issuance of state General Obligation bonds to support appropriations in the 2017–19 Capital Construction Budget (E2SSB 6090). The State Finance Committee is authorized to issue General Obligation bonds to finance \$2.93 billion for capital construction projects and to pay issuance and bond sale expenses.

SSB 6090 utilizes \$2.74 billion of these bonds (plus \$27 million from existing bonding authority). The remaining \$300 million authorized will be used to finance watershed and fisheries restoration and enhancement projects. The Legislature’s intent is that these proceeds be dispersed in phases of no more than \$20 million per year over 15 years.

3SHB 1169—Student loan assistance

(Representative Orwall)

C199 L18

Currently, federal and private student loans can be used to cover tuition and fees, books, supplies, and costs of attendance at a postsecondary institution. In recent years, student debt has grown dramatically. According to the Institute for College Access and Success’ Project on Student Debt, 58 percent of 2015 Washington graduates of four-year public and private nonprofit institutions had student loan debt with an average balance of \$24,804.

Under current law, if a student defaults on a federal loan, the entire balance of the loan, including interest, becomes due, and the borrower loses the options of deferment, forbearance, and repayment plans. The federal government may also collect payment through treasury offsets, tax offsets, and wage garnishment. If a student defaults on a private loan, the loan is sent to a collection agency, and the lender may sue the borrower to obtain a judgment, in which case a judgment interest rate is added onto the loan. The judgment can be used to obtain a writ of garnishment to garnish the borrower’s bank accounts and wages, although there are some limits.

An additional penalty for a loan default can be the loss of professional licensure. Current law allows an agency or board in charge of issuing a professional license to suspend a borrower’s license who defaults on a federal or state-guaranteed educational loan or service-conditional scholarship. Professional license suspension for educational loan default applies to numerous professions, including teachers.

3SHB 1169 enacts the Student Opportunity, Assistance, and Relief Act and makes numerous changes to assist students with loan debt: judgement interest rates for unpaid private student debt is reduced; bank account and wage garnishment exemptions for judgments are increased; and other forms of garnishment are modified.

Additionally, the bill repeals all current provisions that allow an agency to suspend a professional license (including a teaching license) due to a student loan default. The only exception is for escrow agents.

2SHB 1298—Fair Chance Act

(Representative Ortiz-Self)

C38 L18

The Human Rights Commission has issued rules that provide examples of fair and unfair inquiries of job applicants. Inquiries concerning arrests are generally considered fair if the inquiry is limited to arrests within the last ten years and includes whether charges are pending, have been dismissed, or led to conviction of a crime involving behavior that would adversely affect job performance. Law enforcement agencies, state agencies, school districts, businesses, and other organizations that have a direct responsibility for the supervision of children, persons with disabilities, and vulnerable adults are exempt from the rules.

2SHB 1298 enacts the Washington Fair Chance Act, informally known as “Ban the Box,” limiting an employer’s ability to inquire into a job applicant’s criminal history during the application stage beyond the Human Rights Commission’s current rules. An employer may not include any question on an application for employment, inquire either orally or in writing, receive information through a

criminal history background check, or obtain information about an applicant’s criminal record until after the employer initially determines that the applicant is otherwise qualified for the position. Once the employer has initially determined that the applicant is otherwise qualified, the employer may inquire into or obtain information about criminal records.

Employers are also prohibited from:

- advertising job openings in a way that excludes people with criminal records from applying; or
- implementing any policy or practice that automatically or categorically excludes individuals with a criminal record from consideration prior to an initial determination that the applicant is otherwise qualified for the position. Prohibited practices include rejecting an applicant for failure to disclose a criminal record prior to initially determining the applicant is otherwise qualified.

Specifically exempted from the bill’s provisions are:

- employers hiring a person who will or may have unsupervised access to children under 18 years of age, a vulnerable adult, or a vulnerable person;
- any employer, including a financial institution, who is expressly permitted or required under federal or state law to inquire into or consider information about an applicant’s criminal record for employment purposes;
- employment by a general or limited authority law enforcement agency or by certain criminal justice agencies;
- employers seeking nonemployee volunteers; or
- any entity required to comply with the regulations of self-regulatory organizations under the Securities and Exchange Act.

NOTE: Because school districts hire employees “who will or may have unsupervised access to children under 18 years of age,” it is assumed school districts are exempt from 2SHB 1298’s provisions; however, there is debate whether school districts have a blanket exemption or if they are only exempt when specifically hiring employees that have “access to children.” Clearly, when hiring Certificated Instructional Staff (teachers) they would be exempt. The same would be true for certain Classified Staff, such as

bus drivers or food service employees. It is debatable, however, if school districts would be exempt if they are hiring a maintenance employee or a custodian, for example, especially if they would be working afterhours. Until this issue is clarified, school districts are advised to discuss this issue with legal counsel.

2SHB 1377—ESA services

(Representative Ortiz-Self)

C200 L18

Understanding that certain Education Staff Associates (ESAs)—specifically, school counselors, school social workers, and school psychologists—are the most qualified persons in a school setting to assist with mental health-related student support services, 2SHB 1377 intends to add to the knowledge-level and skill-level of these nonacademic professionals. In order to accomplish that, the bill: specifies the roles and duties of school counselors, social workers, and psychologists; requires the provision of professional collaboration time; and establishes the Professional Collaboration Lighthouse Grant Program to assist school districts with early adoption and implementation of mental health professional collaboration time.

2SHB 1377 clarifies that:

- school counselors work with developing and leading a comprehensive guidance and counseling program to focus on the academic, career, personal, and social needs of all students;
- school psychologists carry out special education evaluation duties, among other duties; and
- school social workers promote and support students’ health, academic, and social success with counseling and support, and by providing and coordinating specialized services and resources.

The bill recognizes that each of these professionals are also involved in multitiered systems of support for academic and behavioral skills and must focus on student mental health, working with at-risk and marginalized students, performing risk assessments, and collaborating with mental health professionals to promote student achievement and create a safe learning environment. To ensure ESAs have the time available to prioritize these functions, in addition to other activities requiring direct student contact, school districts

are encouraged to task nonlicensed, noncertified staff with responsibilities such as data input and data tracking, where possible.

New language is added to the statutes to clarify a school psychologist is a professional educator who holds a valid school psychologist certification as defined by the Professional Educator Standards Board. School psychologists deliver services across ten domains of practice:

- two domains permeating all areas of service delivery: data-based decision making; and consultation and collaboration;
- five domains encompass direct and indirect services to children and their families: student-level services, interventions, and instructional supports to develop academic skills; student-level interventions and mental health services to develop social and life skills; systems-level school-wide practices to promote learning; systems-level preventive and responsive services; and systems-level family school collaboration services; and
- three domains are foundational: knowledge and skills related to diversity in development and learning; research and program evaluation; and legal and ethical practice.

The bill clarifies a school social worker is a professional in the fields of social work and education who holds a valid school social worker certification as defined by the Professional Educator Standards Board. The purpose and role of the school social worker is to provide an integral link between school, home, and community in helping students achieve academic and social success. This is accomplished by removing barriers and providing services that include: mental health and academic counseling; support for students and parents; crisis prevention and intervention; professional case management; collaboration with other professionals, organizations, and community agencies; and advocacy for students and parents. School social workers work directly with school administrators as well as students and families at various levels and as part of an interdisciplinary team in the educational system, including at the building, district, and state level. School social workers provide leadership and professional expertise

regarding the formation of school discipline policies and procedures, and through school-based mental health services, crisis management, the implementation of social-emotional learning, and other support services that impact student academic and social-emotional success. School social workers also facilitate community involvement in the schools while advocating for student success.

Using existing resources, first-class school districts must provide a minimum of six hours of professional collaboration per year, beginning in the 2019–20 school year. Second-class districts are encouraged, but not required, to provide this collaboration time. For school counselors, social workers, and psychologists, the collaboration must focus on:

- recognizing signs of emotional or behavioral distress in students, including indicators of possible substance abuse, violence, and youth suicide;
- screening;
- accessing current resources; and
- making appropriate referrals.

School districts with mental health centers in their area must collaborate with local licensed mental health service providers and districts without mental health service providers in their area must collaborate by phone or other remote means that allow for dialogue and discussion.

The Professional Collaboration Lighthouse Grant Program is established to assist school districts with early adoption and implementation of mental health professional collaboration time. This program is subject to appropriation of specific funds by the Legislature; however, the 2018 Supplemental Operating Budget provides no funding. If funding is provided in the future, OSPI must designate at least two districts as lighthouse school districts to serve as resources and examples of best practices in designing and operating a professional collaboration program for ESAs and local licensed mental health service providers, with a focus on recognizing signs of emotional or behavioral distress in students. OSPI would have to award grants to each lighthouse district and at least four school districts (a mix of rural and urban or suburban) wishing to implement mental health professional collaboration time. Grant funds, if provided, could have been used for providing

technical assistance to districts implementing a professional collaboration program; designing and implementing a professional collaboration program; developing approaches for accessing resources external to a school district; collaborating with local licensed mental health service providers; identifying successful methods of communicating with students and parents; conducting site visits; and providing supplemental materials.

ESHB 1434—Shared leave

(Representative Robinson, by request of Office of Financial Management)

C39 L18

The purpose of the Shared Leave Program is to permit state employees to provide annual leave, sick leave, or personal holidays to fellow state employees experiencing circumstances that may cause them to take leave without pay or terminate their employment. Employees eligible to provide or use shared leave include any employee of the state, including those employed by school districts and ESDs, who are entitled to accrue annual or sick leave. Agencies include departments, offices, and institutions of state government, institutions of higher education, school districts, ESDs, and the Legislature.

Under current law agency heads may permit employees to receive shared leave when an employee:

- suffers from an illness, injury, impairment, or extraordinary or severe physical or mental condition;
- has a household member or relative who suffers from one of those conditions;
- is a victim of domestic violence, sexual assault, or stalking;
- volunteers to assist in a state of emergency declared by the state or federal government; or
- has been called to serve in the uniformed services.

To receive shared leave, the employee must also have depleted—or will shortly deplete—his or her annual leave and other relevant types of leave. Agency heads determine the amounts of shared leave that employees may receive; however, employees must not receive more than 522 days of shared leave, except when a supervisor authorizes such leave in certain extraordinary circumstances.

ESHB 1434 modifies the current Shared Leave Program. In addition to current authorized use, agency heads may permit employees to receive shared leave for parental leave, or for sickness or temporary disability due to pregnancy disability. Under these circumstances, employees are not required to deplete all of their annual and sick leave and may maintain up to 40 hours of annual leave and 40 hours of sick leave in reserve.

“Parental leave” is defined as leave to bond and care for a newborn child after birth or to bond and care for a child after placement for adoption or foster care, for a period of up to 16 weeks after the birth or placement. “Pregnancy disability” is defined as a pregnancy-related medical condition or miscarriage.

2ESHB 1508—Breakfast After the Bell

(Representative Stonier)

C8 L18

Beginning in the 2019–20 school year, each high-needs school, unless meeting exemption criteria, must offer a Breakfast After the Bell program at the beginning of the school day and provide adequate time for the students to consume the offered food. Schools that are not obligated by this section to offer Breakfast After the Bell are encouraged to do so. The requirement to offer Breakfast After the Bell programs expires June 30, 2028.

2ESHB 1508 specifically defines:

- “Breakfast After the Bell” as a breakfast that is offered to students after the beginning of the school day; and
- “high-needs school” as any public school that: has an enrollment of 70 percent or more students eligible for federal Free or Reduced-Price Meals (FRPM) in the prior school year; or is using the Community Eligibility or Provision 2 of the National School Lunch Act to provide universal meals and has a claiming percentage of 70 percent or more for FRPM. High-needs schools with 70 percent or more FRPM eligible students participating in both breakfast and lunch programs are exempt from the requirement to offer a Breakfast After the Bell program.

The bill clarifies that the period of time designated for student participation in a Breakfast After the Bell program is considered part of instructional time—and instructional hours—if students are provided the opportunity to engage in educational activity that is part of the regular instructional program concurrently with the consumption of breakfast.

All breakfasts served in a Breakfast After the Bell program are required to comply with federal meal patterns and nutrition standards for school breakfast programs, but schools may determine the Breakfast After the Bell service model that best suits its students. When choosing foods to serve in a Breakfast After the Bell program, schools must give preference to healthful and fresh, and if feasible, foods grown in Washington. It is clarified that Breakfast After the Bell programs, including the provision of breakfast, are not considered part of the definition of or funding of the program of basic education under Article IX of the state Constitution.

OSPI is required to: develop and distribute procedures and guidelines for Breakfast After the Bell programs by January 2, 2019; and offer related training and technical marketing assistance to public schools and school districts. OSPI is also required to:

- maintain a list of opportunities for philanthropic support of school breakfast programs and make the list available to schools interested in a Breakfast After the Bell program;
- incorporate the annual collection of information about Breakfast After the Bell delivery models into existing data systems and to make the information publicly available; and
- by December 1, 2018, and as needed thereafter, develop and distribute best practices and provide technical assistance to school districts on strategies for selecting food items that are low in added sugar.

To the extent that funds are appropriated for this purpose, OSPI is required to start-up allocation grants to each high-needs school implementing a Breakfast After the Bell program. (The 2018 Supplemental Operating Budget provides \$1.2 million for one-time start-up grants to each high-needs school implementing a program.) The grant funds must be used for the costs associated with launching a Breakfast After the Bell program, including but not limited to, equipment purchases, training, additional staff costs,

and janitorial services.

To the extent funds are appropriated for this purpose, OSPI may award grants to school districts to:

- increase awareness of and participation in school breakfast and lunch programs, including Breakfast After the Bell programs;
- improve program quality, including the nutritional content of program food and the promotion of nutritious food choices by students;
- promote innovative school-based programs, including but not limited to developing organic gardens that provide produce used in school breakfast or lunch programs; and
- improve the equipment and facilities used in the programs.

The 2018 Supplemental Operating Budget does not provide any funding to provide these grants; however, the 2017–19 Capital Budget provides grant funding (\$3.3 million) for Health Kids/Healthy Schools grants. A portion of those funds may be used to purchase equipment or make repairs related to improving children’s nutrition and may include but is not limited to: garden-related structures and greenhouses to provide students access to fresh produce, and kitchen equipment or upgrades.

The Joint Legislative Audit and Review Committee (JLARC) must conduct an analysis of Breakfast After the Bell programs established in schools. The analysis of the schools establishing the programs must include a review of any changes in student:

- tardiness and absenteeism;
- suspensions;
- reported illnesses and visits to nurses’ offices;
- results on standardized tests; and
- graduation rates.

The analysis must also include a review of the outcomes of similar programs or efforts in other states. The analysis, including any findings and recommendations, must be completed and submitted to OSPI and the Legislature by December 1, 2026. The 2018 Supplemental Operating Budget provides JLARC with \$32,000 to conduct the required analysis.

Finally, OSPI is authorized to coordinate with the Washington State Department of Agriculture (WSDA) to promote and facilitate new and existing regional markets programs, including farm-to-school initiatives and small farm direct marketing assistance. OSPI is encouraged to provide technical assistance, including outreach and best practices strategies, to school districts with farm-to-school initiatives. Additionally, school districts and other institutions may coordinate with the WSDA to promote and facilitate new and existing farm-to-school initiatives. The 2018 Supplemental Operating Budget provides \$144,000 to WSDA to coordinate with OSPI and schools on farm-to-school programs, small farm direct marketing programs, and best practices for purchasing Washington-grown food.

2SHB 1513—Youth voter registration

(Representative Bergquist)

C109 L18

2SHB 1513 provides for citizens at least 16 years old to register to vote. Applications for persons under age 18 is in pending status until they turn 18 by the next election. The bill provides for a process for “future voters” to apply to vote and contains a series of requirements for state agencies.

The bill also has specific impacts on K–12 education. Public school teachers are required to coordinate a voter registration event in each history or social studies class attended by high school seniors on the annual Temperance and Good Citizenship Day. Each event must encourage students who will be at least 18 years old by the next General Election to register to vote online or by paper application from the classroom. Teachers are required to make voter sign-up and registration available to all students.

OSPI, in coordination with the Secretary of State’s Office, is required to update and distribute youth voter registration materials by December 1, each year and electronically notify high school principals and secondary social studies and history teachers that the materials are available. OSPI must consult with the Secretary of State’s Office to provide registration methods that enable the electronic collection of information on the number of students who register at the registration event, with the goal of achieving at least 50,000 new voter registrations for 17 and 18-year olds annually. Beginning March 1, 2019, OSPI must report on yearly progress toward this goal, and provide recommendations

for increasing youth voter registration, to the governor and Legislature.

SHB 1539—Sexual abuse of students

(Representative McCabe)

C64 L18

Under current law, school districts are required to adopt plans for the recognition, initial screening, and response to emotional or behavioral distress in students, including but not limited to, indicators of possible substance abuse, violence, youth suicide, and sexual abuse. School districts must provide the plan to all district staff each year.

In 1987, the Legislature created a Coordinated Primary Prevention Program for child abuse and neglect. OSPI was charged with assisting the Department of Social and Health Services (DSHS), the Department of Commerce, and school districts in developing the program. The legislation specified that the program is voluntary and that parents may refuse to have their children participate in the program. In developing the program, the state agencies and school districts were required to give consideration to numerous factors, including:

- parent, teacher, and children’s workshops where the information and training are provided in a clear, age-appropriate, and nonthreatening manner;
- training for school-age children’s parents and school staff that includes physical and behavioral indicators of abuse; and
- training for children that includes information about how to disclose incidents of abuse and neglect.

OSPI is currently required to collect and disseminate to school districts information on child abuse and neglect prevention curricula and to adopt rules addressing the prevention of child abuse for purposes of curriculum use in common schools. OSPI, DSHS, and the Department of Commerce are required to share relevant information in support of the OSPI’s obligation to collect and disseminate information.

The Washington Coalition of Sexual Assault Programs (WCSAP), in consultation with a number of other organizations, is charged with making educational materials available throughout the state to inform parents and other

interested 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 that of young children;
- how to take advantage of community resources for victims of sexual assault;
- how to prevent children from being recruited into sex trafficking; and
- other information as deemed appropriate.

By September 1, in each even-numbered year, WCSAP, in consultation with the Washington Association of Sheriffs and Police Chiefs, the Washington Association of Prosecuting Attorneys, and OSPI, is required review and update the educational materials to assure that they remain current and accurate and are age-appropriate for a variety of ages.

SHB 1539 modifies current laws relating to curriculum for the prevention of sexual abuse of students. The Coordinated Primary Prevention Program for Child Abuse and Neglect program is modified to:

- require the program to also address the prevention of sexual abuse of students in kindergarten through twelfth grade;
- rename the program as “the Coordinated Program for the Prevention of Sexual Abuse of Students in Kindergarten Through Twelfth Grade, Child Abuse, and Neglect;” and
- remove a reference to the DSHS and the Department of Commerce, and insert a reference to the Department of Children, Youth, and Families (DCYF).

Subject to appropriation, OSPI must, for any curriculum included within a program for the prevention of sexual abuse of students in kindergarten through twelfth grade, make the curriculum available on its website and seek advice and comments regarding the curriculum from a series of stakeholders:

- the Washington Association of Sheriffs and Police Chiefs;
- the Washington Association of Prosecuting Attorneys;

- the Washington State School Directors’ Association;
- the Association of Washington School Principals;
- the Center for Children and Youth Justice;
- Youthcare;
- the Committee for Children;
- the Office of Crime Victims Advocacy; and
- other relevant organizations.

Current provisions governing the dissemination of child abuse and neglect prevention curricula are modified, requiring OSPI to:

- collect and disseminate to school districts information on and curricula for the coordinated program for the prevention of sexual abuse of students in kindergarten through twelfth grade, child abuse, and neglect;
- adopt rules addressing the prevention of sexual abuse of students in kindergarten through twelfth grade and child abuse for purposes of curricula used in public schools;
- share, along with the DCYF, relevant information, effective July 1, 2018; and
- in accordance with specified funding provisions and other requirements and by June 30, 2019, review any existing curricula related to the prevention of sexual abuse of students in kindergarten through twelfth grade. This review must evaluate the curricula for alignment with specific training and other requirements.

SHB 1539 is contingent on funding. The 2018 Supplemental Operating Budget provides \$97,000 to OSPI to implement the bill.

E2SHB 1561—Open education resources

(Representative Frame)

C268 L18—Partial Veto

The focus of E2SHB 1561 is open education resources (OER) in higher education. The bill requires a higher education OER Grant Pilot Program to be created and administered by the Student Achievement Council.

In 2012, the Legislature adopted legislation (E2SHB 2337)

establishing the K–12 Open Educational Resources Project. OSPI was required to develop new, or identify existing, openly licensed courseware aligned with the Common Core State Standards and license it under an attribution license. The project also required OSPI to advertise the availability of openly licensed courseware, identify an open courseware repository, and provide associated professional development programs. Under the project OSPI has: expanded the reviewed OER library; created a Washington Hub on OER Commons; established a grant program to support K–12 districts adapt, develop, or implement OER; hosted OER summits; delivered OER awareness presentations; joined the #GoOpen Initiative; and developed an OSPI Copyright and Open Licensing Policy. The 2012 legislation that established the Project included a sunset date of June 30, 2018. Although E2SHB 1561 is focused on higher education, the bill also repealed the expiration date of the K–12 Open Educational Resources Project, making it permanent.

The bill, as adopted, included a null and void clause which would invalidate the law if specific funding was not provided. Prior to signing the bill, Governor Inslee vetoed the null and void clause. In his veto message, he noted that the final 2018 Supplemental Operating Budget unintentionally omitted funding to continue the OER project at OSPI. He stated, however, that OSPI is committed to continuing the project and will request the necessary funding in the 2019 Supplemental Operating Budget next session. Because of OSPI's commitment and because the null and void clause would have invalidated the entire bill, he vetoed this section.

E2SHB 1600—Career and college readiness

(Representative Santos)

C206 L18

E2SHB 1600 establishes the Work-Integrated Learning Initiative to promote work-integrated learning experiences for students by providing:

- an opportunity for students to engage in work-based academic programs, such as internships, externships, and apprenticeships with public and private sector employers; and
- a framework for the development and replication of successful work-integrated learning programs throughout the state.

The bill defines “work-integrated learning” to include early, frequent, and systematic learning experiences that are essential for preparing Washington youth for high-demand, family-wage jobs in Washington, and that engage students in grades five through 12 or through high school dropout reengagement plans. Applicant schools receiving funding through participation in the Initiative must meet specified requirements, including:

- providing academic curricula in a work-integrated and career-contextualized manner and including an external mentor for each student in the program;
- demonstrating collaboration with and input from students, parents or guardians, local employers, community members, a workforce development council, and a labor organization;
- reflecting local circumstances, including local industries, employers, and labor markets;
- aligning the High School and Beyond Plans of participating students to reflect opportunities that may be available through the Initiative; and
- providing reports and data to specified recipients.

OSPI is authorized to contract with a statewide nonprofit organization with expertise in promoting and supporting work-integrated learning from early learning through postsecondary education to establish a matching grant program to fund projects implemented by schools selected to participate in the Initiative.

The matching grant program, if established, must include the following minimum requirements for the schools:

- a measurable and accountable focus on low-income youth, homeless youth, and youth of color;
- accountability for increasing registered youth apprenticeships, internships, mentors, career planning, and other work-integrated learning experiences;
- the existence of regional coordinators or liaisons to facilitate links between schools, higher education institutions, business, labor, and the community in developing internships and other work-integrated learning experiences; and
- the existence of system-wide support for work-integrated learning experiences, including but not

limited to career awareness, career explorations, career counseling, and career preparation and training.

Grant funds awarded through the program may be expended only to the extent that they are equally matched by private sector cash contributions for the program. In addition, OSPI must provide an evaluation to the governor and the Legislature by November 15, 2020, and yearly thereafter.

OSPI, in consultation with the Employment Security Department and the Workforce Training and Education Coordinating Board, must convene a Work-Integrated Learning Advisory Committee to provide advice to the Legislature and the education and workforce sectors on creating opportunities for students to: explore and understand a wide range of career-related opportunities through applied learning; engage with industry mentors; and plan for career and college success.

The chair or co-chairs of the Advisory Committee must be selected by its members; OSPI is required to provide staff support.

The Advisory Committee is required to:

- assist OSPI in the development of an application process and the selection of schools to participate in the Initiative;
- advise OSPI on the development and implementation of work-integrated instructional programs;
- review the instructional programs of qualifying projects funded through the Career Connect Washington program and of schools selected to participate in the Initiative;
- analyze barriers to statewide adoption of work-integrated and career-related learning opportunities and instructional programs;
- recommend policies to implement work-integrated and career-related strategies that increase college and career readiness of students statewide;
- consult with individuals from the public and private sectors with expertise in Career and Technical Education and work-integrated training;
- work collaboratively with an Expanded Learning Opportunities Advisory Council (This Council was

proposed in HB 2802; however, the bill failed to be adopted); and

- report its findings and recommendations to the State Board for Community and Technical Colleges, the State Board of Education, the Washington Student Achievement Council, and the Legislature by July 1, 2022.

The Advisory Committee must, at a minimum, be composed of the following members:

- one member from each of the two largest caucuses of the House of Representatives and the Senate;
- the State Superintendent or his designee;
- one educator representing the kindergarten through grade 12 CTE sector, appointed by OSPI;
- one school counselor appointed by OSPI;
- one educator representing the community and technical colleges;
- one member of the Office of the Governor specializing in CTE and workforce needs; and
- one member of the Workforce Board.

In addition, the Advisory Committee is required to convene a subcommittee that includes members representing manufacturing, industry, labor, apprenticeships, and other members with specialized expertise.

The 2018 Supplemental Operating Budget provides OSPI with a \$335,000 appropriation to implement this bill. Additionally, \$35,000 is provided to the Employment Security Department to consult with OSPI on the Work-Integrated Learning Advisory Committee.

2SHB 1896—Civics education

(Representative Dolan)

C127 L18

Under current law civics education is included within requirements governing the state's program of basic education. Goal Two of the four statutorily established basic education goals of school districts obligate districts to provide opportunities for every student to develop the knowledge and skills essential to know and apply the core concepts and principles of civics and history, including different cultures and participation in representative

government. OSPI is responsible for developing the Essential Academic Learning Requirements (EALRs) that identify the knowledge and skills all public school students need to know and be able to do based on the four basic education learning goals. For social studies topics, the requirements are adopted by OSPI as the K–12 Social Studies Learning Standards, standards that include specific EALRs and grade level expectations that describe what students should know and be able to do in civics, economics, geography, history, and social study skills.

Current graduation credit requirements established by the State Board require students to complete three credits of social studies. The three social studies credits must include one credit of United States History, one credit of Contemporary World History, a Geography and Problems class (or an equivalent course), one-half credit of civics, and one-half credit for a social studies elective course.

2SHB 1896 expands civics education in public schools. Subject to funding, an expanded civics education teacher training program is established within OSPI. The program must provide for the selection of a team of qualified social studies teachers, and when appropriate, civics education specialists, from across the state who will:

- develop teacher training materials using existing open educational resources that include civics information on national, state, tribal, and local government, and the civics component of the federally administered naturalization test required of persons seeking to become naturalized United States citizens;
- provide teacher training across the state using the tools established by OSPI; and
- provide professional learning opportunities in accordance with specified provisions.

The program must assure an increase in the number of:

- teachers with the knowledge and skills to effectively engage students in civic education;
- students who have a basic understanding of how governments work; and
- students from every demographic and socioeconomic group who know their rights and

responsibilities within society and are prepared to exercise them.

Beginning with or before the 2020–21 school year, each school district that operates a high school is required to provide a mandatory one-half credit stand-alone course in civics for each high school student. The bill clarifies that, with the exception of civics content and instruction that may be embedded in a social studies course that offers students the opportunity to earn both high school and postsecondary credit, civics content and instruction embedded in other social studies courses do not satisfy this new requirement.

The bill specifies the content of the required civics course. It must include, at a minimum: federal, state, tribal, and local government organization and procedures; rights and responsibilities of citizens addressed in the Washington and United States Constitutions; current issues addressed at each level of government; electoral issues, including elections, ballot measures, initiatives, and referenda; the study and completion of the civics component of the federally administered naturalization test required of persons seeking to become naturalized United States citizens; and the importance in a free society of living certain basic values and character traits.

Credit awarded to students who complete the civics course must be applied to course credit requirements in social studies that are necessary for high school graduation.

Subject to funding, OSPI is required to select two school districts that are diverse in size and in geographic and demographic makeup to serve as demonstration sites for enhanced civics education. The demonstration sites must:

- implement and assess an in-depth civics education program that includes the six proven instructional practices for enhancing civic education in kindergarten through twelfth grade classrooms;
- collaborate with programs and agencies in the local community in order to expand after-school and summer civics education opportunities;
- monitor and report the level of penetration of civics education in school and out-of-school programs;
- ensure that underserved students including rural, low-income, immigrant, and refugee students are

prioritized in the implementation of programs;

- develop evaluation standards and a procedure for endorsing civics education curriculum that can be recommended for use in other school districts and out-of-school programs; and
- provide an annual report on the demonstration sites by December 1, each year to the governor and the Legislature.

Finally, responsibility for administering the History Day Program is transferred from the Washington State Historical Society (WSHS) to OSPI. Subject to funding, OSPI is responsible for the administration and coordination of the History Day Program, including providing necessary staff support. The History Day Program must be operated as a partnership between OSPI, WSHS, and private parties interested in providing funding and in-kind support. WSHS, in coordination with OSPI, is directed to promote the History Day Program and provide access and support for students who are conducting primary and secondary research of historical Washington documents and commentary. A non-appropriated Washington History Day Account is created in the custody of the Washington State Treasurer to hold public or private funds for the History Day Program.

The 2018 Supplemental Operating Budget appropriates \$230,000 to implement this bill.

ESHB 2408—Individual market health care coverage

(Representative Cody)

C219 L18

Currently, individuals may purchase health insurance through the Washington Health Benefit Exchange or in the individual market outside of the Exchange. Most individual market plans are subject to a variety of federal and state requirements, including minimum actuarial values, rate review, and benefit mandates. Most individual plans must be offered in actuarial value tiers: Bronze, Silver, Gold, and Platinum.

Through the Exchange, individuals may compare and purchase individual coverage, access premium subsidies, and apply for Medicaid coverage. Premium subsidies are available to individuals between 100 percent and 400 percent of the federal poverty level and cost sharing reductions are

available to individuals between 100 percent and 250 percent of the federal poverty level. Carriers offering plans in the Exchange are required to offer at least one Silver and one Gold plan. Only health plans certified by the Exchange as qualified health plans may be sold on the Exchange.

In an effort to ensure health insurance is available in every county, ESHB 2408 requires, for plan years beginning January 1, 2020, at least one health carrier in an insurance holding company system to offer qualified health plans in counties where the insurance holding company system offers a health plan approved by the School Employees' Benefits Board (SEBB) or the Public Employees' Benefits Board (PEBB). Those opposed to this bill expressed concerns that requiring carriers offering SEBB or PEBB plans to also offer qualified health plans through the Exchange could lead to a less competitive bidding process, ultimately resulting in higher costs for educators (SEBB) or public employee members (PEBB). With the bill adopted, experience will tell the tale of whether higher costs results or not.

The bill also reduces the premiums for enrollees in the Washington Health Insurance Pool in counties where there is no other individual market coverage available.

ESHB 2610—School meal payment

(Representative Peterson)

C271 L18

ESHB 2610 enacts the Hunger-free Students' Bill of Rights Act, prohibiting the shaming of students who cannot pay for a school meal; establishing new requirements for schools and districts regarding school meals; and requiring OSPI promote best practices in local meal charge policies.

The bill specifically prohibits school or district personnel and volunteers from:

- taking any action that would publicly identify a student who cannot pay for a school meal or for meals previously served to the student, including requiring the student to wear an identifying marker or serving the student an alternative meal;
- requiring a student who cannot pay for a school meal or previous meals to perform chores or other actions in exchange for a meal or the reduction of school meal debt;

- allowing a disciplinary action taken against a student result in the denial or delay of a nutritionally adequate meal; and
- requiring parents or guardians to pay fees or costs in excess of the actual amounts owed for meals previously served to the student.

Communications from a school or district about amounts owed for previously served meals to a student under the age of 15 may only be directed to the student's parent or guardian. School districts are required to notify the student's parent or guardian of a negative balance on their school meal account within ten days of the student earning a negative balance. Within 30 days of sending this notice the district must exhaust all options to directly certify the student for Free and Reduced-Price Meal Programs (FRPM). If the school district is unable to directly certify the student for FRPMs, the district must provide the parent with application information for FRPMs in the notification.

If a student has not paid for five or more previous meals, the school must determine whether the student is categorically eligible for free meals, and school personnel must contact the parent or guardian to offer assistance with an application for FRPMs. Schools participating in the National School Lunch Program or the School Breakfast Program must annually distribute and collect applications for households of children in kindergarten through grade 12 to determine student eligibility for FRPMs. If necessary, these schools must provide language assistance with the application materials to parents and guardians. Schools are required to complete and submit an eligibility application on behalf of a student if, based upon information available to the school, the student is likely eligible for FRPMs.

School districts with local liaisons for homeless children and youths must improve systems to identify homeless students and coordinate with the applicable school nutrition program to ensure that these students have proper access to free school meals and that applicable accountability and reporting requirements are satisfied. Additionally, schools and school districts must improve systems to identify students in foster care, runaway students, and migrant students to ensure that each student has proper access to free school meals and that applicable accountability and reporting requirements are satisfied. Schools and school districts must also, at least

monthly, directly certify students for free school meals if the students qualify because of enrollment in an assistance program.

Under provisions of the bill, OSPI is required to collect, analyze, and promote to school districts and applicable community-based organizations best practices in local meal charge policies that are required by a specific memorandum of the United States Department of Agriculture. OSPI must also develop and implement a plan to increase the number of schools participating in the Community Eligibility Provision (CEP) of the federal Healthy, Hunger-Free Kids Act for the 2018–19 school year and subsequent school years. In developing and implementing this plan, OSPI must work jointly with community-based organizations and national experts focused on hunger and nutrition. The plan must describe how OSPI will comply with certain actions, including:

- identifying and recruiting eligible schools to implement the CEP, with the goal of increasing the participation rate of eligible schools to at least the national average;
- providing comprehensive outreach and technical assistance to school districts and schools to implement the CEP; and
- supporting Breakfast After the Bell programs authorized by the Legislature to adopt the CEP.

Until June 30, 2019, OSPI must convene the entities and persons working on the plan each month to report on the plan's status and to coordinate outreach and technical assistance efforts to schools and school districts. Beginning September 1, 2018, OSPI must annually report data to the Legislature, including the number of schools that have implemented the CEP, barriers to implementation and recommended solutions, and approaches in other states to adopting the CEP.

ESHB 2684—Foster students

(Representative Caldier)

C139 L18

ESHB 2684 defines the process for best interest determinations of students in out-of-home care, including modifying protocols of the Department of Children, Youth, and Families (DCYF) and schools regarding foster children;

and requiring school districts to designate a foster care liaison to address educational barriers.

Provisions governing the DCYF in the development of protocols for specific strategies for communication, coordination, and collaboration regarding the status and progress of foster children (strategic protocols) are modified by replacing references to “foster children” with “children in out-of-home care.” The strategic protocols must include protocols for making best interest determinations for students in out-of-home care that comply with specified requirements, and school districts are expressly directed to collaborate with the DCYF in developing the strategic protocols.

The protocols for making best interest determinations for students in out-of-home care must be implemented before changing the school placement of a student.

The bill establishes requirements for best interest determination protocols developed in collaboration by school districts and the DCYF for students in out-of-home care. The requirements specify that best interest determinations should be made as quickly as possible in order to prevent educational discontinuity for the student. When making best interest determinations, every effort should be made to gather meaningful input from relevant and appropriate persons on their perspectives regarding which school the student should attend during his or her time in out-of-home care, consistent with the student’s case plan. “Relevant and appropriate persons” are defined to include:

- representatives of the DCYF;
- representatives of the school of origin, such as a teacher, counselor, coach, or other meaningful person in the student’s life;
- biological parents;
- foster parents;
- a person qualifying as an educational liaison identified under specific provisions in Washington’s Juvenile Court Act;
- the student’s relatives; and
- depending on the student’s age, the student.

Whenever practical and in their best interest, students placed into out-of-home care must remain enrolled in the school

they were attending at the time they entered out-of-home care. Student-centered factors must be used to determine what is in a student’s best interest.

The requirements further specify that in order to make a well-informed best interest determination, a variety of student-centered factors should be considered. There are 14 delineated factors, which align with guidance materials of the Foster Care Education Program (FCEP), including:

- how long the student’s current out-of-home care placement is expected to last;
- how transferring to a new school may impact the student academically, emotionally, physically, and socially;
- does one school have programs and activities that address the unique needs or interests of the student that the other school does not have;
- which school the student prefers;
- how the commute to the schools under consideration would impact the student in terms of distance, mode of transportation, and travel time; and
- what school the student’s sibling attend.

Special education services of a student may not be interrupted by a transfer to a new school. School districts are encouraged to use any best interest determination guide developed by OSPI during the discussion about the advantages and disadvantages of keeping the student in the school of origin or transferring the student to a new school. School districts are also encouraged to use any dispute resolution process of OSPI when there is a disagreement about school placement, the provision of educational services, or a dispute between agencies. In order to minimize disruption and reduce the number of school transfers, the student must remain in his or her school of origin while a best interest determination is made and while disputes are resolved.

Provisions governing obligations of DCYF to provide youth residing in out-of-home care with the opportunity to remain enrolled in the school he or she was attending prior to out-of-home placement are modified to require the actions of DCYF to be consistent with requirements for the protocols used in making best interest determinations.

Each school district must designate a foster care liaison to facilitate district compliance with state and federal laws related to students in out-of-home care and collaborate with DCYF to address educational barriers for these students.

Examples of the role and responsibilities of a foster care liaison, which align with guidance materials of the FCEP, are specified and may include: coordinating with DCYF on the implementation of state and federal laws related to students in out-of-home care; coordinating with the staff of FCEP at OSPI; attending training and professional development opportunities to improve school district implementation efforts; leading and documenting the development of a process for making best interest determinations; developing and coordinating local transportation procedures; and ensuring that students in out-of-home care are enrolled in and regularly attending school.

Legislation adopted in 2002, directed the Department of Social and Health Services, in cooperation with OSPI, to convene a Working Group to prepare a plan addressing educational stability and continuity for school-age children who enter short-term foster care. The Working Group was required to develop a plan for assuring that the best interests of the child are a primary consideration in the school placement of a child in short-term foster care. ESHB 2684 repeals this Work Group.

SHB 2685—High school pre-apprenticeships

(Representative Ortiz-Self)

C228 L18

An apprenticeship is a combination of on-the-job training under the supervision of journey level workers and a certain number of instructional hours. During the apprenticeship, apprentices are paid lower wages than journey level workers.

Apprenticeship preparation programs, also known as pre-apprenticeship programs, are education-based programs that focus on educating and training students to meet or exceed minimum qualifications for entry into apprenticeship programs upon graduation. Pre-apprenticeship programs must be endorsed by one or more registered apprenticeship sponsors and must be approved by the Washington State Apprenticeship and Training Council (WSATC).

SHB 2685, subject to funding, requires OSPI, in consultation with the State Board for Community and Technical Colleges

and WSATC, to examine opportunities for promoting registered pre-apprenticeship and registered youth apprenticeship opportunities for high school students.

By November 1, 2018, OSPI must solicit input from persons and organizations with an interest or relevant expertise in registered pre-apprenticeship programs, registered youth apprenticeship programs, or both, and employer-based pre-apprenticeship and youth apprenticeship programs, and provide a report to the governor and the Legislature that includes recommendations for:

- improving alignment between college level vocational courses at institutions of higher education and high school curriculum and graduation requirements, including High School and Beyond Plans. These recommendations may include the development or revision of Career and Technical Education course equivalencies for college level vocational courses successfully completed by a student while in high school and taken for dual credit;
- identifying and removing barriers that prevent the wider exploration and use of registered pre-apprenticeship and registered youth apprenticeship opportunities by high school students and opportunities for registered apprenticeships by graduating secondary students; and
- increasing awareness among teachers, counselors, students, parents, principals, school administrators, and the public about the opportunities offered by registered pre-apprenticeship and registered youth apprenticeship programs.

The 2018 Supplemental Operating Budget provides OSPI with \$131,000 to implement this bill.

SHB 2686—High School and Beyond Plans

(Representative Ortiz-Self)

C228 L18

SHB 2686 modifies High School and Beyond Plans (HSBP). School districts must add the following elements as part of the minimum requirements for High School and Beyond Plans: the identification of dual credit programs and the opportunities they create for students; information about the Scholarship program; and information about options for

satisfying state and local graduation requirements as part of a four-year plan for course taking that aligns with the student's secondary and postsecondary goals.

Each HSBP must be provided to the students' parents or guardians in their native language, if their native language is one of the two most frequently spoken non-English languages of students in the district. In addition, districts are not prevented from providing the HSBPs to parents and guardians in other languages.

Subject to funding, the bill requires OSPI to work with school districts, ESDs, WSSDA, students, institutions of higher education, and parents and guardians to identify best practices for the HSBPs. The best practices must be in compliance with HSBP minimum requirements and must consider differences in enrollment and other factors that distinguish districts from one another. OSPI is required to post the identified best practices on the OSPI website by September 1, 2019. The 2018 Supplemental Operating Budget, however, contains no funding to implement SHB 2686.

HB 2702—Family and Medical Leave

(Representative Robinson, by request of Employment Security Department)

C141 L18

The 2017 Legislature enacted a state Family and Medical Leave Insurance program (SSB 5975) to provide paid family and medical leave to employees.

As adopted last session, the Family and Medical Leave Insurance program would have been difficult to implement. HB 2702 makes a series of technical corrections and clarifying changes to provisions, as requested by the Employment Security Department, to assist in the program's implementation.

SHB 2703—Unemployment compensation claims

(Representative Sells, by request of Employment Security Department)

C97 L18

An individual is eligible to receive unemployment benefits if he or she: worked at least 680 hours in covered employment in his or her base year; was separated from employment through no fault of his or her own or quit work for good

cause; and is able to work and is actively searching for suitable work.

Special provisions apply to individuals employed in an instructional, research, or principal administrative capacity for an educational institution. Benefits are not paid for weeks of unemployment which commence during the period between two successive academic years or terms if the individual worked in the first of the years or terms and if there is a contract or reasonable assurance that the individual will work in that capacity in the second academic year or term. Similar provisions apply to employment in any other capacity for an educational institution, if there is a reasonable assurance the individual will work in that capacity in the second academic year or term. For both categories of educational employees, if an individual has a contract (or reasonable assurance in the case of the instructional, research, or principal administrative category) from any educational institution, benefits are not paid.

Under current law, reasonable assurance means a written, verbal, or implied agreement that the employee will perform services in the same capacity during the ensuing academic year or term as in the first academic year or term. A person is not performing services in the same capacity unless those services are rendered under the same terms or conditions of employment in the ensuing year as in the first academic year or term. An individual who is tenured or holds tenure track status is considered to have reasonable assurance, unless advised otherwise by the college.

Under the Federal Unemployment Tax Act (FUTA), if a state maintains an unemployment insurance system in conformity with federal law, the state's employers receive a tax credit against their federal unemployment tax. In addition, the state receives a share of the FUTA revenues for administration of its unemployment insurance system.

SHB 2703 modifies unemployment provisions for education employees to comply with federal law. As adopted, the following requirements must be met before the Employment Security Department determines whether there is a contract or reasonable assurance:

- the offer of employment may be written, verbal, or implied and must be made by an individual with actual authority to offer employment;
- the offer of employment provides that the employee

will perform services in the same capacity during the ensuing academic year or term as in the first academic year or term; and

- the economic conditions of the offer of employment may not be considerably less in the following year or term than in the first year or term. “Considerably less” includes the condition that the individual will not earn at least 90 percent of the wages earned in the prior academic year or term.

If all requirements are satisfied, Employment Security must determine if a contract exists. A contract is an enforceable, noncontingent agreement that provides for compensation for an entire academic year or on an annual basis. If a contract exists, the claimant may be subject to a denial of benefits.

If no contract exists, Employment Security must determine if the claimant has reasonable assurance; each factor must be satisfied. It is clarified that these criteria apply to all educational employees, not limited to community and technical college employees. If any contingencies in the employment offer are within the employer’s control the claimant will not be considered to have reasonable assurance of employment. Contingencies within the employer’s control include course programming, funding allocation decisions, final course offerings, and facility availability. If contingencies are not within the employer’s control, Employment Security must determine whether it is highly probable that the contingencies contained within the offer will be satisfied. The determination of reasonable assurance must be determined considering the totality of circumstances, which must show that it is highly probable that employment will be available in the next academic year or term, and that the contingencies will be satisfied.

Finally, the law clarifies if an educational employee has multiple educational institution employers in a year or term, wages from any institution that has not provided a contract or reasonable assurance of employment may be used for claiming unemployment benefits.

This act applies to claimed weeks of employment on or after October 1, 2018.

HB 2751—Union dues
(Representative Stonier)
C247 L18

Under current law, public sector collective bargaining agreements are permitted to contain union security provisions, which requires employees to maintain union membership or pay union dues, as a condition of continued employment. Current law also allows an employer to agree to collect dues and fees from an employee’s pay and transmit the money directly to the union; however, the employees must first file a written authorization with the employer for these deductions.

HB 2751 amends a series of collective bargaining statutes. The new law provides that if a collective bargaining agreement has a union security provision, written authorization from the employee is not required for the employer to enforce the union security agreement by deducting required dues or fees from the employee’s pay.

Additionally, the law provides that if a collective bargaining agreement includes requirements for deductions of payments other than union dues or equivalent fees under a union security provision, the employer must make those deductions upon written authorization of the employee. Removed is the current requirement that an employee’s written authorization to deduct dues be filed with the employer.

In essence, an employee is automatically a union member and dues are automatically deducted (employers are required to deduct the dues), unless the employee chooses to opt-out.

Collective bargaining changes embodied in HB 2751 apply to a specific set of public employees, including educational employees of school districts.

E2SHB 2779—Children’s mental health services
(Representative Senn)
C141 L18

The 2016 Legislature established the Children’s Mental Health Work Group to identify barriers to accessing mental health services for children and families and to advise the Legislature on statewide mental health services for this population. The Work Group expired in December 2017; E2SHB 2779 reestablishes the Work Group through

December 2020. The Work Group is required to update the findings and recommendations reported to the Legislature by the 2016 Work Group by December 1, 2020.

The Health Care Authority (HCA) representative must convene at least two, but no more than four, Work Group meetings yearly. The Work Group must select two co-chairs, one from among its legislative membership and one executive branch member.

The 2017 Legislature required the HCA and the Department of Social and Health Services (DSHS) to annually provide a report on issues related to network adequacy for children's mental health. E2SHB 2779 expands the required annual report to include data on mental health and medical services provided for eating disorder treatment in children and youth. The data must include the number of diagnoses by county; patients treated in outpatient, residential, emergency, and inpatient settings; and contracted providers specializing in eating disorder treatment, including the overall percentage actively accepting new patients during the reporting period.

Mental health treatment programs offered through Behavioral Health Organizations (BHO) may include family support as a component of outpatient services. The BHOs must allow reimbursement for time spent supervising mental health and social work professionals who are working towards satisfying the number of supervision hours required for licensing in their practice area.

As Regional Services Areas (RSA) adopt fully integrated managed health care systems, the provisions for BHOs regarding reimbursement for partial hospitalization, intensive outpatient programs, and supervision time also apply to RSAs.

The HCA is required to collaborate with the Department of Children, Youth, and Families (DCYF) to identify opportunities to leverage Medicaid funding for home visiting services. The HCA must build upon the Home Visiting and Medicaid Financing Strategies 2017 report and provide a set of recommendations to the Legislature by December 1, 2018.

By November 1, 2018, the DCYF must:

- develop a common set of definitions to distinguish between home visiting programs and services;
- develop a strategy to expand home visiting programs

statewide; and

- collaborate with the HCA to identify how to maximize Medicaid and other federal resources for home visiting and the statewide strategy.

DSHS must convene an advisory group of stakeholders to review the Parent-Initiated Treatment (PIT) process and develop recommendations regarding:

- the age of consent for behavioral health treatment of a minor;
- options for parental involvement in youth treatment decisions;
- information communicated to families and providers about the PIT process; and
- the definition of medical necessity for emergency mental health services and options for parental involvement in those determinations.

The advisory group must review the effectiveness of serving commercially sexually exploited children using PIT, involuntary treatment, or other treatment services.

By December 1, 2018, DSHS must report the findings and recommendations of the advisory group to the Work Group.

The duties of the lead staff person in each ESD mental health pilot site (established in 2017) are expanded to include delivering a mental health literacy curriculum, mental health literacy curriculum resource, or comprehensive instruction to students in one high school in each pilot site. The curriculum, curriculum resource, or comprehensive instruction must improve student mental health literacy, be designed to support teachers, and be aligned with the state's Health and Physical Education K–12 Learning Standards.

The 2018 Supplemental Operating Budget provides to OSPI implement E2SHB 2779, expanding the duties of the lead staff person in each of two ESD mental health pilot sites, as described above. The budget provides \$150,000 to the Department of Children, Youth, and Families (DCYF) to collaborate with the Health Care Authority, in identifying opportunities to leverage Medicaid funding and recommend a strategy for the expansion of home visiting statewide, as required by this bill. Finally, the budget appropriates \$100,000 to the Health Care Authority to contract with a third party to build upon the Home Visiting and Medicaid

Financing Strategies 2017 report and provide a set of recommendations to the Legislature, as required by E2SHB 2779.

SHB 2824—OSPI and SBE duties

(Representative Harris, by request of State Board of Education, Superintendent of Public Instruction)

C177 L18

In 2017, legislation was introduced (HB 1886/SB 5673) to transfer numerous duties and responsibilities related to accountability, assessments, high school graduation requirements, basic education requirements, and other areas from the State Board of Education to OSPI. OSPI supported the bill, while the State Board opposed it. Ultimately the bills failed; however, it prompted an interim conversation between OSPI and the State Board and legislation was jointly requested by both entities.

SHB 2824 is a comprehensive bill that modifies a series of agency-specific powers, functions, and duties between OSPI and the State Board of Education related to learning standards, career and technical education (CTE) course equivalencies, waivers of school district responsibilities, compliance with basic education requirements, ESD boundaries, and private schools.

Examples of modified powers, functions, and duties relating to learning standards and compliance with basic education requirements include the following:

- OSPI must notify the State Board in writing before initiating the development or revision of the Essential Academic Learning Requirements (EALRs), and the State Board may provide a response to OSPI's notification;
- prior to adoption by OSPI of new or revised EALRs, OSPI must submit the new or revised EALRs to the State Board for its review;
- the State Board may propose new or revised EALRs and OSPI must respond to the proposal; and
- the State Board may recommend that OSPI withhold, rather than require OSPI to withhold, state funding allocated for basic education. A determination to withhold any funds is to be made by OSPI.

Examples of modified powers, functions, and duties relating

to CTE course equivalencies include the following:

- the authority of the State Board to approve equivalent CTE courses and their curriculum frameworks is transferred to OSPI; and
- provisions governing an annual CTE course equivalency report provided to the governor and the Legislature are changed to require OSPI to also submit the report to the State Board and to include in the report the list of equivalent CTE courses and their curriculum frameworks that OSPI has approved.

Examples of modified powers, functions, and duties relating to waivers of school district responsibilities include the following:

- effective January 1, 2019, the authority to grant waivers from basic education requirements for locally approved effective education system plans is transferred from the State Board to OSPI;
- effective June 30, 2019, the State Board is granted exclusive authority to grant waivers from specific statutes and rules for educational restructuring programs;
- effective January 1, 2019, the State Board is authorized to grant waivers to school districts from certain requirements related to instruction that provides students with the opportunity to complete 24 credits for high school graduation;
- effective January 1, 2019, school district boards of directors of districts with fewer than 2,000 students may apply for a waiver from OSPI instead of the State Board for requirements obligating all districts to provide high school students with the opportunity to access at least one CTE course that is considered equivalent to a science course;
- effective January 1, 2019, the State Board is authorized to adopt rules related to the CTE science course equivalency waivers for qualifying small districts;
- effective January 1, 2019, the authority to grant waivers from 180-day school year requirements to small districts is transferred from the State Board to OSPI; and

- beginning September 1, 2019, OSPI is annually required to report to the State Board and the Legislature data regarding waiver applications and approvals.

Examples of modified powers, functions, and duties relating to ESD boundaries and private schools include the following:

- OSPI, rather than the State Board, is authorized to make changes in the number and boundaries of ESDs, but the State Board is authorized to request that OSPI make these changes;
- duties related to certifying that minimum education requirements are met in private schools are transferred from OSPI to the State Board;
- the authority of private schools to appeal the actions of OSPI through the Administrative Procedure Act is modified to allow private schools to instead appeal actions of the State Board; and
- private schools must annually report the education records of students to OSPI rather than the applicable ESD.

SHB 2824 also assigns new review and reporting duties to OSPI. OSPI must review available and appropriate options for competency-based assessments that meet the state's Essential Academic Learning Requirements. A report and recommendations from the review must be provided to the Legislature by November 1, 2019.

SHB 3002—Budget Stabilization Account

(Representative Ormsby)

C274 L18

Budget Stabilization Account (BSA), informally referred to as the "Rainy Day Account," was established in 2007, to ensure the state has adequate reserves available in an economic downturn or to address emergencies. In general, appropriations from the BSA require a three-fifths majority in each house of the Legislature, but in the case of low employment growth or a state of emergency resulting from a catastrophic event, the Legislature may appropriate from the BSA with a constitutional majority vote of each house.

SHB 3002 provides appropriations from the BSA to address last year's wildfires. On September 2, 2017, Governor Inslee declared a state of emergency in all counties due to wildfires.

This means, SHB 3002 only needed a simple majority vote in each house to be adopted (it was approved with a 51–47 vote in the House and a 48–0 vote in the Senate).

SHB 3002 authorizes the following expenditures from the BSA:

- For Fiscal Year 2018, \$2.65 million is appropriated to the Washington State Patrol for fire mobilization costs incurred during the 2017 fire season.
- For Fiscal Year 2018, \$19.808 million is appropriated to the Department of Natural Resources for fire suppression costs incurred during the 2017 fire season.

SB 5028—Native American curriculum

(Senator McCoy)

C144 L18

All teachers' colleges and teachers' courses at institutions of higher education in Washington must include a one quarter or semester course in either Washington State history and government or Pacific Northwest history and government. Courses used to fulfill this requirement must include information on culture, history, and government of American Indian peoples.

SB 5028 requires all Washington State history and government, and Pacific Northwest history and government courses, that are incorporated in the curriculum of all teacher preparation programs, to specifically integrate the Since Time Immemorial Native American curriculum developed by OSPI into the course. Higher education institutions are authorized to modify the curriculum in order to incorporate elements that have a regionally specific focus.

The 2018 Supplemental Operating Budget provides funding to college and university teacher preparation programs to implement SB 5028. Additionally, funding is provided to the Office of Native Education within OSPI to increase services to tribes, including providing assistance to tribes and school districts to implement Since Time Immemorial, applying to become tribal compact schools, convening the Washington State Native American Education Advisory Committee, and extending professional learning opportunities to provide instruction in tribal history, culture, and government.

SSB 5064—Student freedom of expression

(Senator Fain)

C125 L18

In a 1969 case, *Tinker v. Des Moines Independent Community School District*, the US Supreme Court held that students and teachers retain their constitutional rights to freedom of expression in public schools; however, the Court also recognized the duty and authority of school officials to prescribe and control the conduct in schools. The Court held that a school may not regulate student expression unless the expression would cause a material and substantial interference with the operation of the school or invade the rights of others.

In 1988, the US Supreme Court addressed the issue of the extent to which a public high school could regulate expression in high school newspapers. In *Hazelwood School District v. Kuhlmeier*, the Court held that school-sponsored student expression that occurs in a nonpublic forum may be regulated as long as the regulations are “reasonably related to a legitimate pedagogical concern.”

SSB 5064, intended to protect students’ freedom of expression in public schools (and institutions of higher education), explicitly states student editors at public high schools are responsible for determining the news, opinion, feature, and advertising content of student media. A student media adviser may not be terminated, transferred, removed, or otherwise disciplined for failing to suppress protected student media. School officials’ ability to restrict student expression is limited and it is clarified that a school official may only prohibit student media that:

- is libelous or slanderous;
- is an unwarranted invasion of privacy;
- is obscene or indecent pursuant to the Federal Communications Act or any rule or regulation of the Federal Communications Commission;
- violates school district policy or procedure related to harassment, intimidation, bullying, or discrimination;
- incites students to commit an unlawful act on school premises or violate a lawful school regulation; or
- creates a material and substantial disruption of the orderly operation of the school.

A school official must base a forecast of “material and substantial disruption” on specific facts, including past experience in the school and current events influencing student behavior; a school official may not base a forecast of a “material and substantial disruption” on an undifferentiated fear or apprehension.

The bill provides that:

- political expression by students in school-sponsored media may not be deemed a use of public funds for political purposes; and
- any student, individually or through the student’s parent or guardian, enrolled in a public high school may file an appeal of an alleged violation.

SSB 5064 also clarifies that expression made by students in school-sponsored media is not necessarily the expression of school policy and stipulates no school official, governing board of the school, or school district may be held responsible in civil or criminal action for any expression made or published by students in school-sponsored media.

Finally, each school district is required to adopt a written student freedom of expression policy. The policy may include reasonable provisions for the time, place, and manner of student expression.

The bill provides similar free speech protections for students attending public institutions of higher education.

ESB 5917—IB exam credit

(Senator Mullet)

C124 L18

Currently, there are several dual credit opportunities for students in high school to earn college credits, including the Advanced Placement (AP) Program, International Baccalaureate (IB), and the College Level Examination Program. Each institution of higher education has its own policy for how to award credit for IB examinations; some only award college credit for higher level courses, and others provide more credits for students who earned the IB diploma.

ESB 5917 requires Washington institutions of higher education to establish a coordinated, evidence-based policy for granting credit to students with who successfully

complete International Baccalaureate and Cambridge International examinations.

The credit policy for all International Baccalaureate and Cambridge International exams must be posted on each institution of higher education's website effective for the 2018 fall academic term. The institutions of higher education must conduct biennial reviews of the IB and Cambridge International policy and report noncompliance annually to the Legislature, beginning November 1, 2020.

ESSB 6002—Voting Rights Act

(Senator Saldaña)

C113 L18

The Federal Voting Rights Act of 1965, prohibits discriminatory practices in state and local elections. The Act prohibits any voting practice or procedure that effectively impairs the equal opportunity for members of a minority group to participate in the nomination and election of candidates.

ESSB 6002 establishes a state-level Washington Voting Rights Act (WVRA). A violation occurs when elections—in any local jurisdiction, including school director elections—exhibit polarized voting and where there is a significant risk that members of a protected class (race, color, or language minority group) do not have an equal opportunity to elect candidates of choice as a result of dilution or abridgement of their rights.

Cities or towns with fewer than 1000 people and school districts with fewer than 250 students are exempt from the provisions of the Washington Voting Rights Act and may not be sued for violations.

Any political subdivision may take corrective action to change its election system in order to preemptively remedy a potential violation of the WVRA. One remedy is the implementation of a district-based (as opposed to an at-large) election system. Districts must be reasonably equal in population, compact, and geographically contiguous, must coincide with natural boundaries, and must preserve communities of related and mutual interest as much as possible.

The political subdivision must provide notice to the community of its proposed change to its election system.

If five percent or more of residents, or 500 or more residents, whichever is fewer, are of limited English proficiency, the notice must be provided in languages residents can understand. If the political subdivision adopts a new election plan between the date of the General Election and January 15, of the following year, it must implement the plan at the next General Election. If the plan is adopted during the remaining period of the year, the plan must be implemented at the General Election of the following year.

The political subdivision must obtain a court order certifying that the remedy complies with the WVRA and was prompted by a plausible violation of the law. A political subdivision must provide data and analysis used in developing its proposed remedy submitted for court approval. Courts must apply a rebuttable presumption for declining a political subdivision's proposed remedy, and all facts and reasonable inferences must be viewed in favor of those opposing the proposed remedy. Any political subdivision that implemented a district-based election system must prepare a redistricting plan within eight months of receiving federal census data.

Any voter who resides in the political subdivision may notify the political subdivision of the voter's intent to challenge the election system. The notice must describe the alleged violation and a possible remedy. The person bringing the notice and the political subdivision must work in good faith to implement a remedy that provides members of the protected class or classes equal opportunity to elect candidates of their choice.

If the political subdivision does not adopt a remedy within 180 days or, if after July 1, 2021, within 90 days, any voter is eligible to file an action against the political subdivision. No notice of a potential violation of the WVRA may be submitted before July 19, 2018.

If no remedy is adopted, any voter who resides in the political subdivision may file a lawsuit alleging a violation of the Washington Voting Rights Act within that political subdivision. The claim has two elements:

- the political subdivision's elections show polarized voting, meaning a difference of choice between voters of a protected class and other voters in the election; and

- members of the protected class do not have an equal opportunity to elect members of their choice or influence the outcome of an election.

The protected class does not have to be geographically compact or concentrated to constitute a majority in any proposed or existing district and intent to discriminate is not required to show a violation of the law. Members of different protected classes may file an action jointly if their combined electoral preferences differ from the rest of the electorate.

An action must be filed in the Superior Court of the county in which the political subdivision is located. If the action is against a county, it may be filed in the Superior Court of either of the two nearest judicial districts. The trial must be set for no later than one year after the filing of a complaint, with a corresponding discovery and motions calendar. For purposes of the statute of limitations, a cause of action under the Washington Voting Rights Act arises every time there is an election under a districting method that is the subject of the court action.

To determine the existence of polarized voting, the court may analyze elections in the political subdivision, including the election of candidates, ballot measure elections, and elections that affect the rights and privileges of the protected class. Election of candidates who are members of the protected class does not preclude a court from finding the existence of polarized voting.

The court may order appropriate remedies for a violation, including requiring the political subdivision to redistrict or create a district-based election system. The court may order the political subdivision to hold elections for its governing body in the same year as elections for federal or statewide elected offices.

If the court issues a final order between the date of the General Election and January 15, of the following year, the order applies to the next General Election. If the court issues a final order between January 16, and the next General Election date, the order only applies starting from the General Election of the following year.

The court may award attorneys' fees and costs to a prevailing plaintiff. Prevailing defendants may be awarded certain costs, but not attorney's fees.

If the political subdivision modifies its electoral system and obtains a court order that the remedy is in compliance with the Washington Voting Rights Act, or if the jurisdiction implements a court-ordered remedy, no legal action may be brought against the political subdivision for four years alleging a violation of WVRA so long as the political subdivision does not modify the system in the remedy.

Political subdivisions which have modified their electoral systems in the previous decade in response to a federal Voting Rights Act claim may not be sued under the Washington Voting Rights Act until redistricting after the 2020 census is completed.

Finally, political subdivisions are required to publish the outcome, summary, and legal costs of any court action on its website.

ESSB 6032—2018 Supplemental Operating Budget

(Senator Rolfes, by request of Office of Financial Management)

C299 L18—Partial Veto

This is the 2018 Supplemental Operating Budget. For details, see Operating Budget section, earlier in this Report.

SSB 6090—2017–19 Capital Budget

(Senator Frockt)

C2 L18—Partial Veto

This is the late-arriving 2017–19 Capital Construction Budget. For details, see Capital Budget section, earlier in this Report.

ESSB 6095—2018 Supplemental Capital Budget

(Senator Frockt, by request of Office of Financial Management)

C298 L18—Partial Veto

This is the 2018 Supplemental Capital Construction Budget. For details, see Capital Budget section, earlier in this Report.

SSB 6133—CTE course equivalency

(Senator Zeiger, by request of Superintendent of Public Instruction)

C191 L18

OSPI was directed, before the 2015–16 school year, to

develop a list of Career and Technical Education (CTE) courses with content in science, technology, engineering, and mathematics (STEM) equivalent to academic science or mathematics courses that meet high school graduation requirements.

SSB 6133 changes the development of CTE equivalency courses from those courses with STEM content equivalent to academic mathematics and science courses to those CTE courses equivalent to academic courses in English language arts, mathematics, science, social studies, arts, world languages, or health and physical education.

SB 6134—Alternative Learning Experiences

(Senator Wellman, by request of Superintendent of Public Instruction)

C56 L18

Alternative Learning Experience (ALE) courses are courses with learning activities that occur either in part or wholly outside of a regular classroom setting. These courses may include components of direct instruction, and are supervised, monitored, assessed, evaluated, and documented by a certificated teacher employed by the school district. All ALE coursework requires a written student learning plan (WSLP) that is implemented according to district policy and rules adopted by OSPI.

ALE courses are categorized as online courses, remote courses, and site-based courses.

SB 6134 modifies definitions of Alternative Learning Experience courses. As adopted: a remote course is defined as an ALE course where the WSLP does not include a requirement for in-person instructional time; and a site-based course is defined as an ALE course where the WSLP includes a requirement for in-person instructional contact time.

SB 6136—AP computer science equivalencies

(Senator Rolfes, by request of Superintendent of Public Instruction)

C73 L18

Under current law, each high school or school district board of directors must adopt CTE course equivalencies for Career and Technical Education (CTE) courses offered to students in high schools and Skills Centers. School boards are required

to approve Advanced Placement (AP) computer science courses, which are CTE courses, as equivalent to high school mathematics or science. In order for a board to approve AP computer science as equivalent to high school mathematics, the student must be concurrently enrolled in or have successfully completed algebra II.

SB 6136 eliminates the current requirement for a student to be concurrently enrolled in or have successfully completed algebra II, for AP computer science to be counted as a CTE equivalent to high school mathematics.

E2SSB 6162—Dyslexia

(Senator Zeiger)

C75 L18

The federal Individuals with Disabilities Education Act (IDEA) includes dyslexia as a Specific Learning Disability (SLD). IDEA, however, does not define dyslexia or tell states how schools should address it. In Washington, the definition of SLD under OSPI's rules mirror the federal definition; neither state statute nor OSPI rules define dyslexia.

E2SSB 6162 provides a definition of dyslexia in statute. Beginning with the 2018–19 school year, as part of the Annual Student Assessment Inventory, school districts that screen students for indicators of dyslexia must report the number of students and grade levels of the students screened, disaggregated by student subgroups.

The bill requires OSPI to convene a Dyslexia Advisory Council to advise OSPI on matters relating to dyslexia. By June 1, 2019, the Council is charged with identifying and describing screening tools and resources for dyslexia. By June 1, 2020, the Council is required to report recommendations on the best practices for implementing screenings and multi-tiered interventions, including trainings for school district staff. The recommendations must also include sample information for parents and families regarding dyslexia, and best practices to address the needs of students above grade two who show indications of dyslexia. By June 1, 2021, OSPI is required to review the Council's recommendations and make available to school districts the best practices and the sample information for parents and families. The Council and OSPI must use the data from the Annual Student Assessment Inventory when developing best practice recommendations.

Beginning in the 2021–22 school year, each school district and charter school must use evidence-based, multi-tiered systems of support to provide interventions to students in kindergarten through second grade who display indications of or areas of weakness associated with dyslexia. Each school district must provide information about dyslexia, the student’s indications of dyslexia, and a plan for providing supports and interventions for the student. The interventions must be provided by an educator trained in instructional methods that target the student’s areas of weakness. If, after providing multi-tiered interventions, the student continues to have indications of dyslexia then the school district must recommend to the student’s parents and family that the student be evaluated for dyslexia or a specific learning disability. The school district then is required to regularly update the parent’s and family of the student’s progress.

School districts must use dyslexia screening tools and resources that exemplify best practices. Districts are allowed to use state Learning Assistance Program (LAP) allocations to provide screenings and interventions, even if the student is not eligible to participate in LAP. LAP allocations may also be used for staff trainings to implement the screenings and interventions.

E2SSB 6162 includes a series of deadlines:

- by January 15, 2022, the Council is required to: review the implementation of dyslexia screenings and use of the multi-tiered systems of support to provide interventions; and update its recommendations for best practices and sample educational information;
- by February 15, 2022, OSPI is required to review the Council’s update and revise the best practices and sample information made available to school districts; and
- by November 1, 2022, OSPI is required to provide a report to the Legislature.

The OSPI report must include information from the 2021–22 school year:

- the number of students: screened pursuant to this bill; with indications of, or areas of weakness associated with, dyslexia; and provided interventions;

- descriptions from school districts of the types of interventions used and rates of student progress, when available; and
- descriptions from school districts of the issues districts had related to implementing the provisions of this bill.

The 2018 Supplemental Operating Budget provides OSPI with \$120,000 to implement this bill.

SB 6210—Tribal school retirement

(Senator Conway, by request of Select Committee on Pension Policy)

C257 L18

In 2016, the Select Committee on Pension Policy (SCPP) convened a staff level workgroup to review legal and practical implications of expanding the state’s retirement plans to include tribal schools. SB 6210, requested by SCPP, addresses the terms under which tribal schools may participate in the state retirement systems as part of a state-tribal education compact.

As provided for in the bill, a state-tribal education compact for a tribal school opting to participate in the Teachers’ Retirement System (TRS) or the School Employees’ Retirement System (SERS) must include provisions that allow the tribal compact school to be treated similarly to public schools for the purpose of administering the retirement benefits. Similar to other TRS and SERS employers, tribal compact schools are required to adhere to reporting, contribution, and auditing requirements as well as consent to the jurisdiction of Washington State Courts for the purposes of enforcing these requirements. The tribal compact school must also agree to make information that is provided to the Department of Retirement Services available to OSPI. Unlike other TRS and SERS employers, a tribal compact school may choose to withdraw from TRS and SERS participation.

Finally, the bill clarifies that if the Internal Revenue Service determines that the provisions of this law conflict with federal Internal Revenue Code plan qualification requirements, the bill is null and void.

ESB 6229—Bargaining representative access

(Senator Van De Wege)

C250 L18

Under current law, public sector collective bargaining agreements are allowed to contain provisions that allow a union representative to make a presentation to new employees at employee orientations. Generally, the agreement may specify how much time a union representative has, as well as the locations and times of the presentations to new employees.

ESB 6229 specifically requires employers to provide exclusive bargaining representatives reasonable access to new employees for the purposes of presenting information about their exclusive bargaining representative. The presentation may occur at a new employee orientation or at another time mutually agreed to by the employer and the bargaining representative. No employee may be mandated to attend the meetings or presentations by the exclusive bargaining representative.

“Reasonable access” is defined to mean access occurs within 90 days of the employee’s start date and the access is for no less than 30 minutes. However, an employer may agree to longer and more frequent new employee access. The access must occur during the employee’s regular work hours at the employee’s regular worksite, unless another time and place is mutually agreed to by the employer and bargaining representative.

ESSB 6241—SEBB

(Senator Hobbs, by request of Health Care Authority)

C260 L18

Last session, as part of the *McCleary* Education Funding Plan (EHB 2242), the Legislature established a new School Employees’ Benefits Board (SEBB) as part of a new consolidated health benefits purchasing program for school district and ESD employees, administered by the Health Care Authority (HCA). Beginning January 1, 2020, all public schools and ESDs must participate in the SEBB program. ESSB 6241, requested by the Health Care Authority, includes multiple updates, changes, and clarifications to the School Employees’ Benefits Board and its operations.

ESSB 6241 makes the following changes, related to the administration of SEBB by HCA:

- HCA may provide funding for substitute teachers to backfill for a SEBB member while they are carrying out their Board duties;
- health care premiums for full-family coverage may not exceed three times the premiums for an employee purchasing single coverage;
- a school employee must be anticipated to work at least 630 hours per school year in order to be eligible for coverage;
- school employees must choose a health care plan developed by SEBB or waive coverage under conditions set by SEBB;
- school employees are eligible to participate in the pre-tax deduction plans, including flexible spending accounts and the dependent care assistance program;
- public school employers must make contributions for employee health care even when the employee has waived coverage;
- various accounts are created in the custody of the state treasurer to allow for the administration of the benefits;
- existing health care contracts are exempted from the one-year limit on health care contracts, but only to the extent that is needed to ensure that coverage is provided through December 31, 2019;
- the date that information must be submitted to HCA for initial benefits plan procurement is moved forward from January 1, 2019, to April 1, 2018;
- charter schools are subject to the requirement to provide health care through SEBB unless HCA receives guidance from the Internal Revenue Service that this jeopardizes the pre-tax status of the plan;
- charter schools are directed to provide the same data as is required by other public schools; and
- provisions that allow a public school employer to opt in to Public Employees’ Benefits Board (PEBB) coverage are limited to December 31, 2019.

The bill also clarifies that, as an enhancement to the program of basic education, school districts are allowed to bargain for and provide:

- supplemental benefits when the same benefit is not offered by SEBB; and
- benefits to employees that are expected to work less than 630 hours per year. (Note, however, that HCA has determined that if a school district provides health benefits to an employee that works less than 630 hours per year, the employee must be provided with a “full” benefit package.)

Finally, the bill states the Legislature’s intent to review the state-funded staffing assumptions and benefit allocations to districts for the 2019-21 Operating Budget and consider assumptions related to the monthly benefit allocated for the proportion of staff that are anticipated to work 630 hours or more. It is also specifically clarified that monthly insurance benefits allocated to school districts must be funded at the same or greater level than what is provided to state agencies for public employee benefits.

ESSB 6257—Early intervention services

(Senator Billig)

C261 L18

Current law requires school districts to provide or contract, or both, for early intervention services in partnership with local lead agencies (including county health departments, county human services agencies, nonprofit agencies, and ESDs) and providers.

ESSB 6257 provides for the development of a funding model for early intervention services for eligible children. The bill requires the Department of Children, Youth, and Families (DCYF), in consultation with the Department of Early Learning, OSPI, the Office of Financial Management (OFM), the Caseload Forecast Council, legislative fiscal staff, and with advice and assistance from the state Interagency Coordinating Council, to develop a funding model with which to determine the amount of annual allocations that must be appropriated in the state Operating Budget after July 1, 2019, for early intervention services.

By September 1, 2018, DCYF must submit a final report that includes the agreed-upon funding model and any necessary statutory changes to OFM and the Legislature. Additionally, DCYF must direct public entities who are billing Medicaid to provide early intervention services to bill private insurance as soon as practicable.

SSB 6340—PERS 1 and TRS 1 benefit increase

(Senator Conway, by request of Select Committee on Pension Policy)

C151 L18

SSB 6340, as ultimately adopted, provides a one-time increase of 1.5 percent to retirees of the Public Employees’ Retirement System Plan 1 and Teachers’ Retirement System Plan 1 member monthly benefits. The increase, however, is limited to a maximum \$62.50 on July 1, 2018.

E2SSB 6362—Basic education funding

(Senator Wellman, by request of Superintendent of Public Instruction)

C266 L18—Partial Veto

This is the bill (in conjunction with ESSB 6032, the 2018 Supplemental Operating Budget) that accelerates state salary allocations to comply with the Supreme Court’s November 2017 Order in the *McCleary* case. There are also a series of updates and “fixes” to the *McCleary* Education Funding Plan (EHB 2242) adopted last session.

For a comprehensive review of this major education reform measure, please see “Special Focus: *McCleary* Education Funding Plan Update” earlier in this Report.

SSB 6388—Paraeducators

(Senator Mullet)

C153 L18

Legislation adopted last session (ESHB 1115) created new standards for paraeducator certification in Washington State. Beginning on September 1, 2018, paraeducators would have been required to be at least 18 years of age, and:

- receive a passing grade on the education testing service paraeducator assessment; or
- hold an associate of arts degree; or
- have earned 72 quarter credits or 48 semester credits at an institution of higher learning; or
- completed a registered apprenticeship program.

Last year’s legislation also provided for specialized paraeducator certificates, as set by the Professional Educator Standards Board (PESB).

School districts are required to provide a four-day

fundamental course of study on state standards of practice to paraeducators who have not completed the course. School districts must use best efforts to provide the course before paraeducators begin work. Under last year's ESHB 1115, these provisions would have gone into effect beginning September 1, 2019.

SSB 6388 adjusts effective dates for new paraeducator qualifications. Under the new law, paraeducators working for a district before or during the 2017–18 school year must meet minimum employment requirements by the date of hire for the 2019–20 school year. Persons that have not previously worked as a paraeducator for a district must meet these requirements by the date of hire for the 2018–19 school year or any subsequent school year.

For paraeducators hired for the 2018–19 school year, school districts must provide the fundamental course of study for paraeducators by September 1, 2020. For those hired for the 2019–20 school year, districts must provide the course by September 1, 2021. In addition, school districts must implement fundamental course of study requirements only in school years for which state funding is specifically appropriated for this purpose.

No funding was provided for school districts to implement the new courses of study. With the delay of the requirements, however, funding will likely be a topic of discussion in next year's 2019–21 budget. The 2018 Supplemental Operating Budget did provide one-time funding to the PESB (\$250,000) to procure or create professional development for paraeducator subject matter certificates, in the Transitional Bilingual Instructional Program and special education.

SB 6471—Sexual harassment policies

(Senator Keiser)

C121 L18

The Human Rights Commission (HRC) enforces and administers the Washington Law Against Discrimination (WLAD). Under the WLAD, a person has the right to be free from discrimination related to a protected status, such as race, national origin, sex, veteran or military status, sexual orientation, and disability. An employer may not discriminate against a person because of one's protected status; sexual harassment is a form of sex discrimination under the WLAD.

SB 6471 requires the HRC to convene a Work Group to

develop model policies and best practices for employers (public and private) and employees to keep workplaces safe from sexual harassment. To the extent practicable, the Work Group should have membership from the following groups:

- the business community;
- human resource professionals;
- advocates for the survivors of sexual harassment;
- labor organizations;
- representatives of farmworkers;
- representatives from agricultural industries; and
- other subject matter experts as deemed necessary by the HRC.

In developing best practices, the Work Group should consider:

- how workplace leaders can signal commitment to stopping sexual harassment;
- how to create and protect anonymous reporting channels;
- how to ensure human resource departments are accountable for enforcing sexual harassment policies;
- how to protect against retaliation;
- providing the opportunity for employees to establish affinity groups to share concerns and provide mentoring regarding sexual harassment;
- the use of exit and employee engagement surveys to improve retention and promote an inclusive work environment;
- using new employee orientation to emphasize inclusion and sexual harassment prevention and using required training for all employees in a classroom environment;
- evaluating executives and supervisors on their efforts to support an inclusive workplace and prevent sexual harassment; and
- how to create an internal communication plan for communicating a commitment to inclusion and sexual harassment prevention.

The HRC must adopt model policies and best practices developed by the Work Group and post the model policies

and best practices on its website by January 1, 2019. Within 30 days of the HRC adopting model policies and best practices, the Department of Labor and Industries must also post the policies and best practices on its website.

SSB 6474—Tribal Compact Schools pilot

(Senator McCoy)

C290 L18

The Legislature authorized OSPI to enter into state-tribal education compacts in 2013. The resulting Tribal Compact Schools are exempt from existing statutes and rules regarding school administration and are subject to the terms agreed upon between the tribes and OSPI. There are currently six operating Tribal Compact Schools: Chief Kitsap Academy (Suquamish), Lummi Nation Schools, Muckleshoot Tribal School, Quileute Tribal School, and Wa He Lut Indian School.

SSB 6474 creates a pilot project for Tribal Compact Schools. OSPI is required to establish a pilot project for one or more Tribal Compact Schools to implement modifications to school requirements with respect to:

- school attendance and calendar requirements for the purposes of accommodating cultural and agricultural events; and
- replacing graduation testing requirements with culturally relevant and community-based standards.

Any Tribal Compact School that applies to participate in the pilot project must be included. If requested, OSPI must convene a government-to-government meeting with the Tribal Compact School to revise the compact to reflect the terms of the pilot project. Students attending a school participating in the pilot project are exempt from the obligation to earn a Certificate of Academic Achievement.

Tribal Compact Schools participating in the pilot project may:

- request a waiver to the 180-day calendar requirement;
- request authorization to consider student participation in cultural or agricultural programs as instructional days or as excused absences; and
- consider and implement other modifications to requirements, to the maximum extent permitted by state and federal law.

Tribal Compact Schools participating in the project are required to submit a report to the Legislature every two years, with the first report submitted no later than August 1, 2021. The report must include a recommendation on whether the project should be modified, continued, or expanded. The pilot project expires August 1, 2023.

E2SSB 6529—Pesticide application

(Senator Saldaña)

C108 L18

Under current law, the Worker and Community Right to Know Act and the Pesticide Application Act require record-keeping for pesticide applications by applicators and employers who apply or cause pesticides to be applied. The laws prescribe a series of details that must be included in the pesticide records.

Additional statutes require schools to be notified and, in turn, schools must notify interested parents or guardians of students and employees before a pesticide application. In addition to notification, schools must place signs regarding pesticide applications.

E2SSB 6529 establishes a Pesticide Application Safety Work Group to develop recommendations for improving the safety of pesticide applications. The Work Group is required to: review existing state and federal law on pesticide safety and application; arrange for a presentation about technologies; review the structure of the former Pesticide Incident Reporting and Tracking Review Panel; and review data and reports from state agencies and other states' relevant agencies.

The Work Group is to be composed of:

- one member and one alternate from each of the two political caucuses in the Senate;
- one member and one alternate from each of the two political caucuses in the House of Representatives; and
- one representative from each of the following agencies:
 - Department of Agriculture;
 - Department of Health;
 - Department of Labor and Industries;

- Department of Natural Resources; and
- Commission on Hispanic Affairs

The Department of Health and the Department of Agriculture are authorized to invite individuals to participate in the Work Group in an advisory capacity, with no limit to the number of individuals who may participate.

The Work Group is required to provide a report to the governor and the Legislature by November 1, 2018. The report must include any findings, recommendations, and draft legislation.

ESSB 6614—State Property Tax

(Senator Mullet)

C295 L18

The Washington State Constitution limits Regular Property Tax levies to a maximum of one percent of the property's value—\$10 per \$1,000 of assessed value (AV). \$3.60 per \$1,000 AV of this amount is constitutionally reserved for schools; however, due to tax limitations and assessed value of property, the state has not collected the full authorized amount for many years; the State Property Tax (reserved for schools) rate in Calendar Year 2017, was \$1.89 per \$1,000 AV. Last session, an additional State Property Tax was authorized, beginning in Calendar Year 2018, to help fund increases in basic education allocations under EHB 2242 (*McCleary* Education Funding Plan). The new tax brought the total aggregate State Property Tax rate to \$2.70 per \$1,000 AV.

With a large increase in revenues above previous projections (and due to voter anger), legislators in all four Caucuses introduced legislation to reduce the State Property Tax. It became very clear, very early on that the question was not if the Legislature would reduce the State Property Tax—the open questions were: How much would the tax be reduced? When would the reduction become effective? And What, if anything would the reduction be linked with?

Ultimately, ESSB 6614 was the bill that was adopted. The bill reduces the State Property Tax by \$.30—from \$2.70 to \$2.40 per \$1,000 AV. The reduction occurs in Calendar Year 2019. (It is important to note, this reduction provides one-time relief, with the State Property Tax returning to \$2.70 per \$1,000 AV in Calendar Year 2020.)

Original versions of the bill would have provided for a transfer from the Budget Stabilization Account (BSA)—which required a 60 percent, supermajority approval of the Legislature—to backfill the loss of approximately \$390 million in revenue. The final adopted ESSB 6614 eliminates the transfer from the BSA, allowing the plan to be adopted with a simple majority. The bill, however, also redirects proceeds of the State Property Tax in Fiscal Year 2019, (approximately \$935 million) from the General Fund to the Education Legacy Trust Account, a dedicated account for the support of education (early education, K–12 education, and higher education).

Each year, the Legislature is required to transfer three-quarters of “extraordinary revenue growth” in the BSA to the General Fund. ESSB 6614, by redirecting almost a billion dollars of revenue to a dedicated account (before it ever reaches the General Fund), effectively removes approximately \$700 million from the BSA. This budget sleight-of-hand allowed an indirect use of BSA dollars—without requiring a 60 percent supermajority vote.

Education-Related Bills That Died—Titles

WASA’s main focus this session was on the proposed “fixes” to 2017’s *McCleary* Education Funding Plan embodied in EHB 2242—along with related issues in the 2018 Supplemental Operating Budget—however, we actively tracked and acted on a significant number of other bills that had either direct or potentially indirect impacts on K–12 education.

Remember, 2018 was the second year of the Legislature’s 65th Biennial Session. Bills that died at the end of the first year of the Legislature’s biennial session carried over and were automatically reintroduced in the Legislature’s second-year session. The following list includes all of the education-related bills we followed from 2017 and 2018, which ultimately failed to be adopted; however, bills introduced in 2017, are only included if any action was taken on the bill during the 2018 session.

HB 1046.....	High school assessments	HB 2616.....	TBIP eligibility
HB 1060/SB 5290.....	Marijuana in schools	HB 2621.....	High school assessments
HB 1246.....	School bus safety	HB 2636/SB 6405.....	Supreme Court fiscal notes
HB 1254.....	Leadership grant program	HB 2641.....	CTE volunteers
HB 1618.....	Family engagement coordinators	HB 2670.....	Pregnant/parenting students
HB 1703.....	School safety planning	HB 2704.....	Election ballots
HB 1800/SB 5267.....	Voting Rights Act	HB 2712.....	Lunch copays
HB 1827.....	Educator workforce supply	HB 2734.....	Tax preferences
HB 1901.....	Kindergartener month	HB 2748.....	Learning Assistance Program
HB 2252.....	IB/AP credit policies	HB 2767.....	Student suspensions
HB 2259/SB 5997.....	State Auditor’s duties	HB 2802.....	Expanded learning opportunities
HB 2266.....	Driver training curriculum	HB 2846.....	Student transcripts
HB 2288/SB 6374.....	History Day program	HB 2848.....	Truancy reduction
HB 2303/SB 6004.....	State Property Tax	HB 2866.....	Title IX
HB 2311.....	School fees	HB 2911.....	Feminine hygiene products
HB 2378.....	Ballot postage	HB 2927/SB 6508.....	Highly capable students
HB 2379/SB 6289.....	Early-retired teachers	HB 2964.....	Special education funding
HB 2390/SB 6469.....	Opioid medications	HB 2967.....	Capital gains tax
HB 2433/SB 6092.....	Future voter program	HB 2982/SB 6568.....	Regionalization adjustments
HB 2442.....	Student safety program	HB 2993.....	State Property Tax
HB 2483.....	Marijuana businesses	HB 3000.....	State Property Tax
HB 2488/SB 6306.....	Regional Transit Authority revenues	HB 3007.....	School violence
HB 2534/SB 6193.....	Election dates	HB 3008.....	School employee firearms
HB 2543/SB 6224.....	Regional School Safety Centers	HB 3010.....	School choice scholarship
HB 2558.....	Student stigmatization	SB 5310.....	Early-retired teachers
HB 2590.....	Transitional Bilingual Instruction Program	SB 5513/HB 1500.....	Tax exemptions
HB 2615.....	Native languages	SB 5601.....	Early-retired teachers

SB 5766.....	Harassment, intimidation, and bullying	SB 6360.....	Special education transitions
SB 5805.....	School landmarks	SB 6382.....	Property tax reform
SB 5994.....	Legislative sessions	SB 6389/HB 2815.....	Vocational ALE programs
SB 6033/HB 2434.....	State Property Tax	SB 6394/HB 2763.....	Learning Assistance Program
SB 6063.....	Aerial crop protection applications	SB 6397/HB 2717.....	Basic education
SB 6065.....	Student interrogations	SB 6406.....	I-200 repeal
SB 6079.....	Public disclosure exemptions	SB 6410.....	School safety
SB 6096.....	Carbon pollution tax	SB 6421.....	Environmental literacy
SB 6132/HB 2493.....	Second grade reading assessments	SB 6439.....	State Property Tax
SB 6135/HB 2495.....	Academic Acceleration program	SB 6447/HB 2366.....	Regionalization adjustments
SB 6141/HB 2496.....	Student distress response	SB 6458/HB 2898.....	Early learning levy
SB 6144.....	High school assessments	SB 6460/HB 2695.....	School libraries
SB 6148.....	Homeless education equity	SB 6461/HB 2755.....	School Employees' Benefits Board
SB 6153.....	Credit search tool	SB 6483.....	Basic education
SB 6168.....	School compost and recycling	SB 6494/HB 2810.....	Regionalization adjustments
SB 6185.....	Early-retired teachers	SB 6524.....	Special education funding
SB 6192.....	Vacation leave	SB 6525.....	Educator salaries
SB 6201.....	Open education resources	SB 6531/HB 2953.....	School construction
SB 6203.....	Carbon pollution tax	SB 6537.....	Federal forest revenues
SB 6209/HB 2868.....	High school success	SB 6553.....	Literacy screening
SB 6223.....	Foster children education equity	SB 6570.....	Retired school employees
SB 6248/HB 2617.....	High school diplomas	SB 6591.....	Regionalization adjustments
SB 6260.....	Running Start	SB 6609.....	State revenue
SB 6286/HB 2655.....	School Employees' Benefits Board	SB 6616.....	Educator salaries
SB 6288/HB 2657.....	School Employees' Benefits Board	SB 6618.....	Mental health counselors
SB 6290/HB 2323.....	TRS 1 & PERS 1 COLA	SB 6620/HB 3004.....	School security
SB 6305/HB 2452.....	TRS 1 & PERS 1 COLA	SB 6622.....	Active shooter training
SB 6322/HB 2878.....	Pesticide exposure	SB 6626.....	State Property Tax
SB 6336/HB 2828.....	Interscholastic activities	SB 6627.....	State Property Tax
SB 6352.....	Educator salaries	SJR 8213.....	School bond passage
SB 6355.....	State revenue limit	SJR 8214.....	Tax approval

Education-Related Bills That Died

“Somebody loves each bill filed in the state Legislature. Sometimes it’s hard to see why.”

~ Peter Callaghan (former Columnist, Tacoma News Tribune)

HB 1046—High school assessments

(Representative MacEwen)

Would have decoupled statewide high school assessments from graduation requirements by eliminating the requirement for students to earn a Certificate of Academic Achievement (CAA) or Certificate of Individual Achievement (CIA) by meeting the state standard on assessments.

HB 1060—Marijuana in schools

(Representative Blake)

and SB 5290 (Senator Hobbs)

Would have required school districts to allow students to consume marijuana for medical purposes on school grounds, aboard a school bus, or while attending a school sponsored event.

HB 1246—School bus safety

(Representative McCabe)

Would have required: every school bus manufactured or assembled after September 1, 2018, to be equipped with a shoulder harness-type safety belt assembly for each passenger position; and every school bus to be equipped with an automated school bus safety camera for detecting vehicle infractions.

HB 1254—Leadership grant program

(Representative Young)

Would have directed OSPI to establish a temporary competitive grant program to award grants to school districts for the promotion of confidence, public speaking, and leadership skills of students in grades two through five.

HB 1618—Family engagement coordinators

(Representative Ortiz-Self)

Would have changed the terms “parent involvement coordinator” in the prototypical school funding formula statute and “parent and family engagement coordinator”

in the Learning Assistance Program statute to “family and community engagement coordinator.”

HB 1703—School safety planning

(Representative Pollet)

Would have required OSPI, in consultation with the State Building Code Council, to publish, and update every four years, guidelines and criteria for public schools and ESDs to conduct a comprehensive engineering survey for seismic safety of a public-school building used by students.

HB 1800—Voting Rights Act

(Representative Gregerson)

and SB 5267 (Senator Hunt)

Would have implemented a state-level Voting Rights Act to protect the equal opportunity for minority groups to participate in local elections and elect candidates of choice. Additionally, would have created a cause of action and authorized courts to order appropriate remedies for a violation of the voting rights act, including redistricting within a political subdivision. While these bills failed to pass, ESSB 6002 was adopted, implementing a new state-level Voting Rights Act.

HB 1827—Educator workforce supply

(Representative Santos)

This comprehensive bill, intended to expand the current and future educator workforce supply, would have created new educator recruitment and retention policies and revised current educator recruitment and retention policies, including: the Recruiting Washington Teachers Program; student teacher field placement; financial incentives, assistance, and supports for people pursuing teacher certificates, including grants, conditional scholarships, and loan repayment; the Beginning Educator Support Team Program; and certification and evaluation of classroom teachers and principals.

HB 1901—Kindergartener month

(Representative Griffey)

Would have declared September as the “Month of the Kindergartener.”

HB 2252—IB/AP credit policies

(Representative Dolan)

Would have: required higher education institutions to establish coordinated, evidence-based policies for granting general education requirements to students with minimum scores of four on International Baccalaureate (IB) examinations; and specified college credits a student is granted for earning a minimum score of three on Advanced Placement (AP) examinations be for general education requirements.

HB 2259—State Auditor’s duties

(Representative Dolan, by request of State Auditor)

and SB 5997 (Senator Hunt, by request of State Auditor)

This bill would have modified a series of auditing or reporting requirements of state agencies and local governments, including: immediate reporting of known or suspected loss of public funds or assets would no longer be required; and local governments would no longer be required to include expenditures for labor relations consultants in annual financial reports to the State Auditor’s Office.

HB 2266—Driver training curriculum

(Representative Hayes)

Would have clarified the driver training education curriculum developed and maintained by the Department of Licensing and OSPI is the core curriculum for driver training education courses.

HB 2288—History Day program

(Representative Kagi)

and SB 6374 (Senator Mullet)

Would have transferred administration of the Washington History Day Program from the Washington State Historical Society to OSPI.

HB 2303—State Property Tax

(Representative Condotta)

and SB 6004 (Senator Mullet)

Would have reduced the State Property Tax to \$2.40 per \$1,000 AV in Calendar Year 2018.

HB 2311—School fees

(Representative Bergquist)

In an effort to reduce barriers to student participation in extracurricular activities, this bill would have limited fees for low-income students to: obtain an ASB or other student identification card; and participate in extracurricular activities and career and technical student organizations. Additionally, would have prohibited students from being required to complete a physical examination to participate in extracurricular activities more often than every 24 months.

HB 2378—Ballot postage

(Representative Hansen)

Would have required the state to reimburse counties for the cost of return postage on mail ballots for all elections.

HB 2379—Early-retired teachers

(Representative Doglio)

and SB 6289 (Senator Conway)

Would have allowed early-retired members of both the Teachers’ Retirement System and the School Employees’ Retirement System to work in any non-administrative position for up to 867 hours without suspension of pension benefits prior to attaining age 65. Additionally, would have removed the August 1, 2020 sunset date for early retirees to substitute teach and serve in instructional positions for up to 867 hours per year.

HB 2390—Opioid medications

(Representative Pollet)

and SB 6469 (Senator Palumbo)

Would have: allowed public schools to obtain, maintain, and administer opioid overdose medication under certain conditions; and required most school districts to adopt policies that met specific guidelines and training requirements.

HB 2433—Future voter program

(Representative Bergquist, by request of Secretary of State)
and SB 6092 (Senator Billig, by request of Secretary of State)

Would have authorized a person sixteen or seventeen years old to “sign up” to register to vote. Additionally, would have required public school teachers to coordinate a voter registration event in each history or social studies class attended by high school seniors on the annual Temperance and Good Citizenship Day.

Another bill, 2SHB 1513, which includes similar provisions, was adopted this session.

HB 2442—Student safety program

(Representative Manweller)

Would have established the Students Protecting Students Program for the primary purpose of providing students with a fast, secure, and anonymous method of reporting activities or the threat of activities that are inappropriate, unsafe, harmful, dangerous, unethical, or illegal.

HB 2483—Marijuana businesses

(Representative Klippert)

Would have prohibited the siting of marijuana businesses in areas or facilities frequented by children, including: preschools, elementary schools, or secondary schools; playgrounds; school bus stops; recreation centers; and child care centers.

HB 2488—Regional Transit Authority revenues

(Representative Sullivan)

and SB 6306 (Senator Frockt)

Would have clarified that counties are allowed to use funding distributed from the Puget Sound Taxpayer Accountability Account (funded with revenues from the Regional Transit Authority) for facilities to improve educational outcomes, in addition to educational services in early learning, K–12, and higher education.

HB 2534—Election dates

(Representative Gregerson, by request of Secretary of State)

and SB 6193 (Senator Hunt, by request of Secretary of State)

Would have moved the date of primary elections from August to June. Additionally, would have moved the date by which a resolution must be presented to the county auditor to hold a special election (including school district ballot issues) in November to the first business day in August.

HB 2543—Regional School Safety Centers

(Representative Lovick)

and SB 6224 (Senator Van De Wege)

Would have required ESDs to establish a Regional School Safety Center as part of a statewide network.

HB 2558—Student stigmatization

(Representative Kirby)

Would have prohibited schools and districts from publicly identifying or stigmatizing students based on attendance, academic performance, or behavior that is unsatisfactory. Additionally, would have required school principals, classroom teachers, and paraeducators to confer, annually, to develop or review policies and practices designed to improve school climate and create a safe, respectful learning environment.

HB 2590—Transitional Bilingual Instruction Program

(Representative Ortiz-Self)

Would have required school districts to comply with specific Transitional Bilingual Instruction Program (TBIP) staffing provisions, beginning in the 2019–20 school year.

HB 2615—Native languages

(Representative Santos)

For purposes of the Transitional Bilingual Instruction Program (TBIP), this bill would have clarified that “native language” (rather than “primary language”) means: the language normally used by an individual; or in the case of a child or youth, the language normally used by the parents of the child or youth.

HB 2616—TBIP eligibility

(Representative Santos)

Would have changed and expanded the definition of an “eligible pupil” for purposes of the Transitional Bilingual Instruction Program (TBIP).

HB 2621—High school assessments

(Representative Stonier)

Would have decoupled statewide high school assessments from graduation requirements by eliminating the requirement for students to earn a Certificate of Academic Achievement (CAA) or Certificate of Individual Achievement (CIA) by meeting the state standard on assessments.

HB 2636—Supreme Court fiscal notes

(Representative Holy)

and SB 6405 (Senator Wagoner)

Would have required the Office of Financial Management to establish a procedure for the provision of fiscal notes which: estimate the impact of Washington State Supreme Court decisions that increase or decrease state and local government revenues or expenditures; and identify when a Supreme Court decision imposes new or different levels of service that are not currently provided by the government.

HB 2641—CTE volunteers

(Representative McCaslin)

Would have required school districts to adopt a policy to promote the recruitment and use of industry and trade expert volunteers in Career & Technical Education courses offered in grades seven and eight.

HB 2670—Pregnant/parenting students

(Representative Kilduff)

Would have required the provision of various services and supports to pregnant and parenting minors to improve educational attainment. School districts would have been required to provide transportation for parenting students who are transporting an infant. The bill also would have established grants to school districts for Graduation, Reality, and Dual-Roles Skills programs.

HB 2704—Election ballots

(Representative Hudgins)

Would have changed the ballot order: of elected positions, moving Insurance Commissioner above Superintendent of Public Instruction; and ballot measures, moving advisory votes below proposed constitutional amendments. Additionally, the concise description of local ballot measures would have been limited to 30 words, rather than the current 75.

HB 2712—Lunch copays

(Representative Gregerson)

Would have eliminated lunch copays for students who qualify for reduced-price lunches under the National School Lunch Program.

HB 2734—Tax preferences

(Representative Lytton)

Would have eliminated certain tax preferences not being used and recommended for repeal as determined by the Joint Legislative Audit and Review Committee.

HB 2748—Learning Assistance Program

(Representative Santos)

Would have required Learning Assistance Program (LAP) funds be expended in a manner consistent with the Washington Integrated Student Supports Protocol. Additionally, would have enhanced LAP flexibility by eliminating current requirements to: focus first on addressing the reading needs of K–4 students; design LAP to reduce disruptive behaviors in the classroom; and use the state menu of best practice and strategies, or obtain approval to use an alternative practice.

HB 2767—Student suspensions

(Representative Ortiz-Self)

Would have prohibited school districts from suspending or expelling any student in grades K–2, except in certain, limited circumstances.

HB 2802—Expanded learning opportunities

(Representative Kloba)

Would have removed the 2019 expiration of the Expanded Learning Opportunities Council (ELOC) and reconstituted the ELOC as the Expanded Learning Opportunities Advisory Council (ELOAC) within the Center for the Improvement of Student Learning, along with the establishment of new and modified duties.

HB 2846—Student transcripts

(Representative Orwall)

Would have eliminated the current ability of school districts to withhold grades and transcripts of pupils responsible for damage or losses to school property.

HB 2848—Truancy reduction

(Representative Orwall)

Would have required school boards to participate in any trauma-informed training provided to Community Truancy Board members and to attend at least one Community Truancy Board meeting per school year.

HB 2866—Title IX

(Representative Pellicciotti)

Would have required public and private K–12 schools and institutions of higher education to ensure that students have all the same rights and protections provided to them under Title IX.

HB 2911—Feminine hygiene products

(Representative Pollet)

Would have required public schools to provide feminine hygiene products at no cost to students.

HB 2927—Highly capable students

(Representative Vick)

and SB 6508 (Senator Rivers)

Would have required OSPI to confirm that each school district has policies and procedures to allow for the identification of children who are highly capable. Additionally, would have directed OPSI to require school districts to have systems and procedures for highly capable

programs that are clearly stated and implemented by districts in accordance with specified criteria.

HB 2964—Special education funding

(Representative Pollet)

Would have increased the special education per pupil multiplier for districts with costs of providing special education programs to all eligible students that would not be met with the current multiplier. Additionally, would have lowered the threshold to qualify for the special education safety net.

HB 2967—Capital gains tax

(Representative Lytton)

Would have implemented a new tax on long-term capital gains and used the proceeds to: reduce the state property tax; and fund the senior citizen, persons with disabilities, and veteran's property tax exemption.

HB 2982—Regionalization adjustments

(Representative Haler)

and SB 6568 (Senator Brown)

Would have adjusted the current regionalization of Pasco and Kennewick school districts to align with Richland's six percent regionalization factor.

HB 2993—State Property Tax

(Representative Sullivan)

Would have reduced the State Property Tax to \$2.365 per \$1,000 AV for taxes levied for collection in 2019, and to \$2.30 per \$1,000 AV for taxes levied for collection in 2020. Additionally, would have transferred \$995,802,000 from the Budget Stabilization Account to the State General Fund to offset the revenue impact of the reduction.

HB 3000—State Property Tax

(Representative Vick)

Would have retroactively reduced the State Property Tax to \$2.365 per \$1,000 AV for taxes levied for collection in 2018.

HB 3007—School violence

(Representative Young)

Would have created the Committee on School Violence Preparedness and charged them with: establishing training curriculum standards for voluntary training programs offered to school employees with concealed pistol licenses on the topic of how to safely use a firearm to prevent, stop, and respond to an active shooter event or other act of mass violence at a school; and establishing training curriculum standards for training programs on the issues of children's mental health awareness and conflict de-escalation.

HB 3008—School employee firearms

(Representative Pike)

Would have allowed school board of directors to adopt a written policy authorizing one or more permanent employees of a school located within the school district to possess firearms on school grounds.

HB 3010—School choice scholarship

(Representative Graves)

Would have created and funded a school choice scholarship program for foster students.

SB 5310—Early-retired teachers

(Senator Hunt)

Would have allowed retired teachers that took early retirement to return to work as a coach for up to 867 hours per year without a suspension of their pension benefit.

SB 5513—Tax exemptions

(Senator Frockt)

and HB 1500 (Representative Pollet)

Would have required the state to enact a biennial budget for all discretionary tax expenditures. Additionally, a framework would have been established for authorizing, reviewing, and terminating discretionary tax expenditures.

SB 5601—Early-retired teachers

(Senator Darneille)

Would have allowed retired teachers that took early retirement to return to work exclusively as substitute

teachers in any qualifying capacity without a suspension of their pension benefit.

SB 5766—Harassment, intimidation, and bullying

(Senator Liias)

Would have required school districts to adopt or amend a transgender student policy and procedure that incorporates a model policy and rules and guidelines developed by OSPI.

SB 5805—School landmarks

(Senator Frockt)

Would have provided that Seattle school district property is subject to state and local landmark or historic preservation regulations only to the extent explicitly approved by the school district board of directors.

SB 5994—Legislative sessions

(Senator Hawkins)

Would have moved the start date of regular legislative sessions to the first Monday in February.

SB 6033—State Property Tax

(Senator Ericksen)

and HB 2434 (Representative Van Werven)

Would have reduced the State Property Tax to \$1.89 per \$1,000 AV for taxes levied for collection in 2018.

SB 6063—Aerial crop protection applications

(Senator Wellman)

Would have required a 48-hour written notification prior to an aerial application of crop protection products conducted within one-quarter mile of a school facility. Any school that received an aerial application notice would have been required to post a notification of the aerial application at least twenty-four hours prior to the application.

SB 6065—Student interrogations

(Senator Wellman)

Would have required school districts to: adopt a policy and procedures for interviews and interrogations of students on school premises; and notify law enforcement officers within their boundaries of the policy and procedures.

SB 6079—Public disclosure exemptions

(Senator Kuderer)

Would have specifically exempted public employee dates of birth from public disclosure requirements.

SB 6096—Carbon pollution tax

(Senator Ranker)

Would have implemented a new carbon pollution tax.

SB 6132—Second grade reading assessments

(Senator Wellman, by request of Superintendent of Public Instruction)

and HB 2493 (Representative Santos, by request of Superintendent of Public Instruction)

Would have modified current provisions on second grade reading assessments. The bill would have: eliminated the requirement for OSPI to select reading passages to measure a second-grade student's oral reading; added comprehension to the skills that must be measured by the second grade oral reading assessment; and required "substantially below grade level" to be determined by the test publisher's guidelines, instead of OSPI.

SB 6135—Academic Acceleration program

(Senator Wellman, by request of Superintendent of Public Instruction)

and HB 2495 (Representative Santos, by request of Superintendent of Public Instruction)

Would have updated application requirements for the Academic Acceleration Incentive Program (AAIP), including: removing the eligibility requirement that schools must adopt an academic acceleration policy to receive grants from the program; adding criteria to AAIP grants that required OSPI give priority to high schools identified as having high disproportionality in their dual credit enrollment data; and requiring that districts use grant awards in ways that increase equitable access to dual credit.

SB 6141—Student distress response

(Senator McCoy, by request of Superintendent of Public Instruction)

and HB 2496 (Representative Santos, by request of Superintendent of Public Instruction)

Would have required OSPI to develop an online one-hour training module for school staff on recognition, screening, and response to emotional or behavioral distress in students. Additionally, would have directed ESDs to identify a regional mental health coordinator.

SB 6144—High school assessments

(Senator Wellman)

Would have eliminated the requirement for high school students to meet the state proficiency standard on high school assessments to earn a Certificate of Academic Achievement (CAA) to graduate from high school; however, would have maintained the requirement for school districts to administer the state assessments in English language arts, mathematics, and science as required by the federal law.

SB 6148—Homeless education equity

(Senator Palumbo)

Would have required OSPI, the Department of Children, Youth, and Families, the Department of Commerce, and the Washington State Achievement Council to convene a workgroup to create a plan for children and youth experiencing homelessness to achieve educational equity with their general student population peers.

A similar Work Group is required by the 2018 Supplemental Operating Budget. The required plan is for both homeless students and foster children (SB 6223/HB 2877).

SB 6153—Credit search tool

(Senator Ranker)

Would have required public high schools to inform students enrolled in certain dual credit courses about the credit search tool provided online by the Washington Student Achievement Council.

SB 6168—School compost and recycling

(Senator Kuderer)

Would have allowed public schools to offer students the opportunity to compost their food waste and to recycle. Additionally, would have permitted the state to provide free pickup of compost and provide supplies, including bins and compost bags.

SB 6185—Early-retired teachers

(Senator Wellman)

Would have removed the August 1, 2020 sunset date for early-retired teachers to work as substitute teachers and serve in instructional positions without a suspension of their pension benefit.

SB 6192—Vacation leave

(Senator Hunt)

Would have allowed former school district employees who move to state employment to be credited for years of service for purposes of computing vacation leave accrual rates.

SB 6201—Open education resources

(Senator Liias)

Would have eliminated the expiration date of the open educational resources project, making it permanent.

SB 6203—Carbon pollution tax

(Senator Carlyle, by request of Governor Inslee)

Would have implemented a new carbon pollution tax.

SB 6209—High school success

(Senator Mullet)

and HB 2868 (Representative Pettigrew)

Would have: modified and required academic acceleration policies; opened dual credit courses and programs to all high school students; and required the cost of examination fees and the Preliminary Scholastic Aptitude Test costs to be covered for students who are eligible for Free and Reduced-Priced Meals.

SB 6223—Foster children education equity

(Senator Carlyle)

and HB 2877 (Representative Kagi)

Would have required OSPI, the Department of Children, Youth, and Families, the Department of Commerce, and the Washington State Achievement Council to convene a workgroup to create a plan for children and youth in foster care to achieve educational equity with their general student population peers.

A similar Work Group is required by the 2018 Supplemental Operating Budget. The required plan is for both foster children and homeless students (SB 6148).

SB 6248—High school diplomas

(Senator Wellman, by request of Superintendent of Public Instruction)

and HB 2617 (Representative Santos, by request of Superintendent of Public Instruction)

Would have expanded the category of students who may receive a diploma from a community or technical college to include: individuals enrolled in a statewide dropout reengagement program; and individuals aged 16 to 21 not enrolled in a publicly funded K–12 program. Additionally, would have specified that students issued a high school diploma by a community or technical college may be counted in a school district's graduation rate if the student is funded and enrolled in a public K–12 school.

SB 6260—Running Start

(Senator Ranker)

Would have required institutions of higher education to cover costs of textbooks and transportation for low-income Running Start students.

SB 6286—School Employees' Benefits Board

(Senator Braun)

and HB 2655 (Representative Dolan)

Would have added two additional members to the School Employees' Benefits Board; one representing WSSDA and one representing WASA.

SB 6288—School Employees' Benefits Board

(Senator Frockt)

and HB 2657 (Representative Stonier)

This comprehensive bill would have made multiple changes to the School Employees' Benefits Board (SEBB). It would have conditioned mandatory participation in SEBB on: (1) the monthly insurance benefit allocation to school districts in the state budget being no less than the state agency funding rate; and (2) the state budget assuming a full monthly benefit allocation for the portion of staff that work 630 hours or more. The bill also would have added one additional classified employee representative

and one additional certificated employee representative to the Board. Provisions would have been added to: permit school districts to negotiate benefits for employees that work fewer than 630 hours per year; and allow the offering of optional benefits if the SEBB does not offer similar benefits. While this bill failed to pass, an adopted bill (ESSB 6241) allows school districts to bargain for benefits with employees who work less than 630 hours per year and to bargain for additional benefits, so long as they are not offered by SEBB.

SB 6290—TRS 1 & PERS 1 COLA

(Senator Hunt)

and HB 2323 (Representative Dolan)

Would have provided a one-time increase to the Teachers' Retirement System Plan 1 and the Public Employees' Retirement System Plan 1 member monthly benefits of three percent.

SB 6305—TRS 1 & PERS 1 COLA

(Senator Hunt)

and HB 2452 (Representative Dolan)

Would have provided a one-time increase to the Teachers' Retirement System Plan 1 and the Public Employees' Retirement System Plan 1 member monthly benefits of three percent, up to a maximum of \$62.50.

SB 6322—Pesticide exposure

(Senator Saldaña)

and HB 2878 (Representative Ortiz-Self)

Would have required a pesticide user to provide written notice of an intended pesticide application on any property adjacent to a school or a child day care center.

SB 6336—Interscholastic activities

(Senator Baumgartner)

and HB 2828 (Representative Riccelli)

Would have: required the Washington Interscholastic Activities Association (WIAA) to submit an annual report to OSPI regarding student appeals, assets, and finances; and granted OSPI with review and approval authority over rules and policies adopted by WIAA. Additionally, would have required championship basketball tournaments held

by WIAA to: contain 16 teams per classification; be held on consecutive days; and occur in the same city or county.

SB 6352—Educator salaries

(Senator Nelson, by request of Office of Financial Management)

Would have adjusted provisions adopted as a part of EHB 2242 (2017) to increase basic education salary allocations for the 2018–19 school year in order to comply with the Supreme Court's directive that education salaries be "fully funded" by September 1, 2018. The current school district apportionment payment schedule would have been modified to provide part of the funding necessary to increase salary allocations.

SB 6355—State revenue limit

(Senator Ericksen)

Would have re-established several provisions of Initiative 601 (1993), including: the establishment of a spending limitation that ensured the growth rate of state revenue collections did not exceed an established percentage of the economy as represented by total state personal income; prohibiting the state from imposing unfunded mandates on local governments, including school districts; and establishing a fiscally sound revenue reserve fund.

SB 6360—Special education transitions

(Senator O'Ban)

This bill, intended to improve transition planning for students in special education who meet criteria for services from the Developmental Disabilities Administration (DDA), would have impacted K–12 education. OSPI would have had to: establish interagency agreements with DDA and the Division of Vocational Rehabilitation (DVR) to provide transition services for special education students into adult services; and coordinate with DDA to provide training to schools regarding criteria for services from DDA and how to facilitate effective transition for students who meet those criteria. School districts would have been required to offer to refer a student and family who appear to meet criteria for DDA services. Similar requirements are included in the 2018 Supplemental Operating Budget.

SB 6382—Property tax reform

(Senator Carlyle)

Would have established a Legislative Task Force on State and Local Property Tax Reform to examine and provide recommendations on improving the equity, adequacy, reliability, transparency, and simplicity of Washington's property tax system.

SB 6389—Vocational ALE programs

(Senator Zeiger)

and HB 2815 (Representative Griffey)

In addition to current allocations for Alternative Learning Experience (ALE) programs, this bill would have required vocational ALE courses to also be allocated for vocational program funding enhancements.

SB 6394—Learning Assistance Program

(Senator Walsh)

and HB 2763 (Representative Jenkin)

Would have changed the eligibility to receive high-poverty Learning Assistance Program (LAP) allocations from schools with at least 50 percent of students eligible for Free and Reduced-priced Meals (FRPMs), to a four-year, rolling average of the student amount received by the school for all students eligible for FRPMs in the prior four years.

SB 6397—Basic education

(Senator Hunt)

and HB 2717 (Representative Dolan)

Would have made various changes to the 2017 *McCleary* Education Funding Plan, EHB 2242. While these bills failed to be adopted several provisions were ultimately included in final E2SSB 6362.

SB 6406—I-200 repeal

(Senator Chase)

Would have restored fair treatment of underserved groups in public employment, education, and contracting by repealing 1998's Initiative 200.

SB 6410—School safety

(Senator Padden)

Would have directed ESDs to establish Regional School Safety Centers as part of a statewide network. Additionally, would have required: first responder agencies to notify all schools in the vicinity if there was a situation for which an evacuation or lockdown appeared to be reasonably necessary; and all school buildings occupied by students to be mapped.

SB 6421—Environmental literacy

(Senator Ranker)

Would have required OSPI to convene a workgroup to update the Environmental and Sustainability Literacy Plan.

SB 6439—State Property Tax

(Senator Ericksen)

Would have reduced the State Property Tax to \$1.89 per \$1,000 AV for taxes levied for collection in 2019.

SB 6447—Regionalization adjustments

(Senator Miloscia)

and HB 2366 (Representative Reeves)

Would have adjusted the current regionalization factor of Federal Way school district from 12 percent to 18 percent.

SB 6458—Early learning levy

(Senator Billig)

and HB 2898 (Representative Kagi)

Would have provided school districts with authority to impose an additional enrichment levy amount of \$0.25 per \$1,000 AV to be used exclusively to fund high quality early learning programs.

SB 6460—School libraries

(Senator Fain)

and HB 2695 (Representative Stonier)

Would have created a School Library and Technology Office within OSPI. Additionally, would have split MSOC allocations for "other supplies and library materials" into two distinct allocations. While this bill failed to pass, provisions dividing MSOC allocations are a part of E2SSB 6362.

SB 6461—School Employees' Benefits Board

(Senator Conway)

and HB 2755 (Representative Stonier)

Would not have required school districts to participate in the School Employees' Benefits Board (SEBB) until the State met requirements in the 2017 *McCleary* Education Funding Plan, EHB 2242. Additionally, would have permitted school districts to offer benefits outside SEBB after January 1, 2020, if the district offers benefits of a generally equivalent actuarial value, and at a generally equivalent cost to those offered by SEBB, and the school district has greater than 1,000 eligible employees, or is purchasing through a trust, interlocal, or association plan.

SB 6483—Basic education

(Senator Conway)

Similar to E2SSB 6362 and SB 6397/HB 2717, this bill would have made various changes to the 2017 *McCleary* Education Funding Plan, EHB 2242. Additionally, would have increased regionalization factors for Franklin Pierce, Bethel, and Federal Way school districts.

SB 6494—Regionalization adjustments

(Senator Hunt)

and HB 2810 (Representative Dolan)

Would have adjusted the current regionalization of Olympia and Tumwater school districts to align with North Thurston's six percent regionalization factor.

SB 6524—Special education funding

(Senator Braun)

Would have required the state allocation for the special education safety net to be specified in the Operating Budget, requiring the allocation to be at least five percent of the total special education funding to school districts. Additionally, small school districts under 1,000 students would have received full funding for their actual enrollment of special education students, rather than be capped at 13.5 percent.

SB 6525—Educator salaries

(Senator Mullet)

Would have fully implemented increased educator salaries allocations under EHB 2242 (2017) by September 1, 2018, in compliance with the Supreme Court's November 2017 *McCleary* Orders. In order to receive these additional funds, however, a school district would have been required to accelerate the implementation of several accounting and transparency provisions adopted in EHB 2242, but not scheduled to go into effect until 2019. Additionally, school district enrichment levies would have been reduced by an amount equal to the increased salary allocations.

SB 6531—School construction

(Senator Pedersen)

and HB 2953 (Representative Pollet)

Would have increased the minimum floor of School Construction Assistance Program (SCAP) funding to school districts from 20 percent to 30 percent. Additionally, would have phased-in increased SCAP funding drivers, increasing formulas for Construction Cost Allocation and Student Space Allocation over six years.

SB 6537—Federal forest revenues

(Senator Braun)

Would have eliminated the current reduction in state basic education funding that occurs in counties with federal forest lands. While this bill failed to pass, the 2018 Supplemental Operating Budget includes a similar provision; however, because the budget expires on June 30, 2019, the provision is temporary.

SB 6553—Literacy screening

(Senator Rivers)

Would have required each school district to use one or more of the literacy screening and diagnostic literacy assessments compiled by OSPI to identify students in grades kindergarten through four who are eligible for English language arts and literacy services provided in the Learning Assistance Program.

SB 6570—Retired school employees

(Senator Fain)

Would have authorized retired or disabled school employees who are receiving a retirement allowance as of January 1, 2002, to enroll in medical and dental plans under the Health Care Authority.

SB 6591—Regionalization adjustments

(Senator Becker)

Would have provided a six percent regionalization factor to Bethel, Eatonville, Rainier, and Yelm school districts.

SB 6609—State revenue

(Senator Ranker)

Would have repealed or narrowed a series of current tax exemptions and imposed new taxes in order to increase state revenues.

SB 6616—Educator salaries

(Senator Braun)

Would have fully implemented increased educator salaries allocations under EHB 2242 (2017) by September 1, 2018, in compliance with the Supreme Court's November 2017 *McCleary* Orders. Additionally, would have: accelerated the implementation of several accounting and transparency provisions adopted in EHB 2242, but not scheduled to go into effect until 2019; and reduced school district enrichment levies by an amount equal to the increased salary allocations.

SB 6618—Mental health counselors

(Senator Bailey)

Would have required every school to employ at least one mental health counselor in order to allow students reasonable access to a mental health counselor as needed.

SB 6620—School security

(Senator Frockt)

and HB 3004 (Representative Jinkins)

Would have implemented a series of gun control provisions to prohibit: the sale or transfer of semiautomatic rifles or shotguns unless a background check had been completed;

and a person under the age of twenty-one from purchasing a semiautomatic rifle or shotgun. Additionally, would have: established a grant program for school districts to implement emergency response systems to expedite the response and arrival of law enforcement in the event of a threat or emergency at a school; and implemented the Students Protecting Students program to provide an anonymous way that students and the community can report unsafe, potentially harmful, dangerous, violent, or criminal activities or the threat of those activities (as described in HB 2442).

SB 6622—Active shooter training

(Senator Palumbo)

Would have implemented a voluntary active shooter response training program for school employees and volunteers that includes conflict de-escalation and firearms training.

SB 6626—State Property Tax

(Senator Baumgartner)

Would have required the State Property Tax to be reduced each year that estimated state revenues for the fiscal year exceeded adjusted state revenues for the prior fiscal year by an amount equal to the excess amount.

SB 6627—State Property Tax

(Senator Baumgartner)

Would have reduced the State Property Tax to \$2.43 per \$1,000 AV for taxes levied for collection in 2019.

SJR 8213—School bond passage

(Senator Mullet)

This constitutional amendment (and its necessary implementing bill, SB 6246) would have permitted the passage of local school bond issues with a 55 percent approval of voters.

SJR 8214—Tax approval

(Senator Ericksen)

This constitutional amendment would have required a two-thirds majority vote of the Legislature to raise taxes. Additionally, the amendment would have clarified that

actions to impose or raise fees only requires a simple majority vote of the Legislature; however, those fees would have to be dealt with in separate legislation and not as a part of the state Operating Budget.

Health Care, Pensions, Financials, and Other Issues

Fred Yancey – The Nexus Group

“The future depends on what we do with the present.”
Mahatma Gandhi

At the risk of repetition, the legislative session and Governor’s actions have concluded. This was a session that was akin to a sprint to the finish line with the Democrat majorities in both houses pushing many pieces of legislation that had stalled in previous sessions. There were 1,425 new bills introduced and 310 passed during this 60-day session. In 2017, for comparison, for the 193 days of regular and special sessions, 377 bills passed.

So, what happened regarding pensions, health care, financials, and other issues?

Pension Related Proposals

Cost of Living Adjustments:

The original [SSB 6340 \(C151 L18\)](#), provided a 2% cost of living adjustment (COLA) to TRS1 and PERS1 members. As part of the final budget, [ESSB 6032 \(C299 L18\)](#), the COLA was reduced to 1.5%. It provides certain retirees of Plan 1 of the Public Employees’ Retirement System (PERS) and Plan 1 of the Teachers’ Retirement System (TRS) who are receiving a monthly benefit on July 1, 2017, a one-time benefit adjustment of 1.5% multiplied by their monthly benefit, not to exceed \$62.50, effective July 2018. *(By request of the Select Committee on Pension Policy.)*

In a separate part of the budget, the Medicare health insurance benefit subsidy was increased from the current \$150/month to \$168/month in 2019. This was done to insure the state Health Care Authority (HCA) continues to receive federal funds in excess of \$20 million dollars for paying this subsidy/benefit.

[SB 6210 \(C257 L18\)](#) – allows tribal compact schools the option of participating in Plans 2 or 3 of the Teachers’ Retirement System (TRS) and Plans 2 or 3 the School Employees’ Retirement System (SERS). *(By request of the Select Committee on Pension Policy.)*

Retirement Plan Default:

[SHB 1560](#) – would have allowed Public Employees’ Retirement System (PERS), School Employees’ Retirement System (SERS), and Teachers’ Retirement System (TRS)

members who don’t choose between Plan 2 and Plan 3 within 90 days of initial employment would default into Plan 2. Currently, such members default into Plan 3.

This bill died. The Chair of the Senate Ways & Means Committee indicated she was uncomfortable dealing with this issue until the Select Committee on Pension Policy (SCPP) made a recommendation.

Substitute Options for early Retirees:

There were a number of bills that dealt with expanding opportunities for early retirees to return to work in various substitute capacities. They were consolidated into [E4SHB 1827](#). This was a large bill where expanding the current and future educator workforce supply was just one part of the proposal. Although it passed the House, it failed to pass the Senate. Last session(s), the law was changed to allow early retirees to return to school as substitutes under certain conditions. This proposal would have removed both the August 1, 2020, sunset date for that allowance and the directive regarding substitute pay. It would have allowed retirees to return to work in any non-administrative capacity including classified employees such as bus drivers, OT’s, PT’s, etc.

[SSB 5310](#) – would have allowed a temporary return to work for early retirees to work as K–12 coaches up to 867 hours. Although it passed the Senate, it made no progress in the House.

School Employees’ Benefits Board (SEBB) Health Related Proposals

[ESSB 6241 \(C260 L18\)](#) – was a ‘clean up’ bill requested by the Health Care Authority (HCA). It was amended, and a number of changes lobbied by WEA and PSE and clarifications were made.

A couple of interesting additions included permission to negotiate eligibility for benefits on behalf of employees who work less than 630 hours. (A reminder than any employee expected to work 630 or more hours is eligible.) Another one would allow districts to provide other employee benefits as long as they do not compete with PEBB/SEBB offerings.

It's important to briefly review [EHB 2242 \(C13 L18 E3\)](#), whose title is "Funding fully the state's program of basic education by providing equitable education opportunities through reform of state and local education contributions." Although it passed and was signed in 2017, it laid out the SEBB conversion requirements and plan.

An important date approaching concerns bargaining. Section 817(3) reads in part: "...Employee bargaining shall be initiated after July 1, 2018, over the dollar amount to be contributed beginning January 1, 2020, on behalf of each employee for health care benefits. Bargaining must subsequently be conducted in even-numbered years between the governor or governor's designee and one coalition of all the exclusive bargaining representatives impacted by benefit purchasing with the school employees' benefits board established in section 801 of this act, consistent with RCW 28A.400.280 and 28A.400.350. The coalition bargaining must follow the model initially established for state employees in RCW 41.80.020. The governor shall submit a request for funds necessary to implement the collective bargaining agreement for the dollar amount to be expended for school employee health benefits, or for legislation necessary to implement the agreement..."

The governor vetoed Section 819 which ends the reporting requirements for school employee health insurance benefits to the Office of the Insurance Commissioner. However, reporting requirements for districts to supply requested information to the HCA in support of making the conversion to a SEBB model remain in effect.

The SEB Board was/is directed to also look at what to do with the aging non-Medicare and Medicare retirees. Section 804(4) reads in part: "By December 15, 2018, the health care authority, in consultation with the public employees' benefits board and the school employees' benefits board, shall submit to the appropriate committees of the legislature a complete analysis of the most appropriate risk pool for the retired and disabled school employees, to include at a minimum an analysis of the size of the non-Medicare and Medicare retiree enrollment pools, the impacts on cost for state and school district retirees of moving retirees from one pool to another, the need for and the amount of an ongoing retiree subsidy allocation from the active school employees, and the timing and suggested approach for a transition from one risk pool to another..."

[ESHB 2408 \(C219 L18\)](#) – relating to preserving access to individual market health care coverage throughout Washington state. For plan years beginning January 1, 2020, a health carrier must offer in the Washington Health Benefit Exchange at least one Silver and one Gold qualified health plans (QHP) in any county in which it offers a fully insured health plan that was approved, on or after the act's effective date, by the Public Employees' Benefits Board (PEBB) or the School Employees' Benefits Board (SEBB). The rates for a PEBB or SEBB-approved health plan may not include the administrative costs or actuarial risks associated with the QHP offered by the carrier.

Post-Session regarding Health Care: Post-session is when the SEBB process begins in earnest. The Select Committee on Pension Policy will also restart.

Review summaries of content at recent meetings by the [SEB Board](#) and the [PEB Board](#). Topics and issues discussed have significant consequences to districts.

Provided on page 92, is a report by the *Washington Health Care Authority*, released March 22, 2018, titled: *SEB Board approves dependent eligibility, benefit procurement, and benefit offerings for school employees in 2020.*

Family and Medical Leave

[HB 2702 \(C141 L18\)](#) – makes technical corrections requested by the Employment Security Department in the Family and Medical Leave Act passed last session.

[ESHB 1434 \(C39 L18\)](#) – adding the use of shared leave for employees who are sick or temporarily disabled because of pregnancy disability or for the purposes of parental leave to bond with the employee's newborn, adoptive or foster child.

The purpose of the Shared Leave Program is modified to permit employees to help fellow employees who are sick or temporarily disabled due to pregnancy disability or for parental leave. Agency heads may permit employees to receive shared leave for parental leave, or for sickness or temporary disability due to pregnancy disability. Employees are not required to deplete all their annual and sick leave and may maintain up to 40 hours of annual leave and 40 hours of sick leave in reserve. For purposes of the Program, "parental leave" is defined as leave to bond and care for a newborn

child after birth or to bond and care for a child after placement for adoption or foster care, for a period of up to 16 weeks after the birth or placement. “Pregnancy disability” is defined as a pregnancy-related medical condition or miscarriage.

Bills that may have Fiscal/HR Impacts for Districts

SHB 2703 (C97 L18) – modifies the employment security act to clarify eligibility for education employee unemployment compensation claims for educational employees who have multiple employers. It also modifies the analysis of whether an educational employee has a contract or reasonable assurance of continued employment for purposes of unemployment benefits. This bill may have unintended costs for school districts.

What will the future hold?

Many policy bills proposed during both the long and short sessions failed to advance. However, the key themes represented by them will likely be re-introduced through new legislation during the 2019 Session(s). See selected bill review for proposals that addressed many of these areas.

Moving into speculation on the future, some key activities may occur:

1. Maintaining Democrat majorities in both houses. The Democrats currently hold slim majorities in both houses. The November election will be critical.
2. Reshuffling committee assignments and leadership positions in both houses. Currently eleven (11) Representatives and two (2) Senators have announced retirements. These include some current leaders. The filing period (May 14–18) will be important to monitor.
3. Allowing districts and cooperatives to opt out of the SEBB model and continue their present practices. Efforts during the 2018 session were unsuccessful. However, some districts and brokers will continue the argument.
4. Seeking full funding of the SEBB benefits for districts. The law says that districts are to fund benefits on a per-head basis, rather than the standard pro-rata basis. This will add benefit costs to a district. For example, Wayne Leonard from Mead School District roughly estimated the additional costs to his district were \$750,000.
5. Maintaining the recent Medicare health subsidy increase at a minimum. Efforts will be made to get full restoration of the health care insurance benefit for school Medicare retirees back to a minimum of \$183/month. It was reduced from that to \$150/month in 2011.
6. Working toward putting school retirees in the largest risk pool available which would reduce their current insurance costs.
7. Changing the current retirement plan default from 3 to 2. The SCPP will be asked to make this recommendation. This change would create savings to the state that range from \$43 to \$143 million over 25 years.
8. Fundamentally changing the state’s current pension system into a defined contribution model (401-K). Senator Braun, the current ranking Republican on the Senate Ways & Means Committee, is a leading advocate of making these changes.
9. Merging of the LEOFF 1 and TRS 1 pension funds. This proposal never surfaced during either of the sessions. However, this merger would decrease the unfunded liability in both Plans 1, an issue dear to the Republican leaders.
10. Increasing opportunities for members who retired under the 2008 Early Retirement Factors (ERF) to work in various capacities in a school district beyond the current allowance to substitute teach.
11. Removing the sunset date allowing the use of ERF members as substitute teachers.
12. Moving to a state-wide collective bargaining contract for all K–12 employees. (This is a real ‘pie-in-the-sky’ projection.) The statewide SEBB program and bargaining model can be adapted to the wider arena on salaries and other benefits. The current model allowing districts to develop their own salary schedules will lead to disparities and inequalities between districts and regions.

Selected Financials
ESSB 6032 State Budget

Below are selected financial figures from the adopted Supplemental 2018 Budget:

	<u>2017–2018</u>	<u>2018–2019</u>
Fringe Benefit Allocation	23.49%	23.65% / Allocated Certificated
	24.60%	24.67% / Allocated Classified
Insurance Health Benefit	\$820	\$843.97
Medicare Insurance (Subsidy for Retirees)	\$150	\$168
Retirement Contributions		
• TRS		13.13%
• PERS		11.18%
• SERS		11.58%
 (Note: These rates are subject to change. The State Actuary and the Pension Funding Council set these rates yearly. They have yet to meet.)		
Substitute Rate (4 subs/classroom teacher unit)	\$151.86	\$151.86
Health Care Carve-out	\$64.07 Begin 9/2017	\$71.08 Begin 9/2018

Washington State Health Care Authority

[SEB Board approves dependent eligibility, benefit procurement, and benefit offerings for school employees in 2020](#)

Thu, 03/22/2018

On March 15, 2018, the School Employees' Benefits (SEB) Board voted on 11 resolutions to:

- Establish dependent eligibility criteria;
- Begin procurements for fully insured medical, short and long-term disability insurance, and vision benefits;
- Beginning January 1, 2020, offer self-insured medical and dental, fully insured dental, and life and accidental death & dismemberment (AD&D) insurance benefits similar to those offered under the Public Employees Benefits Board (PEBB) Program.

As a result, HCA will move forward with recommending to the SEB Board the benefit design and coverage amounts offered for the self-insured medical and dental plans, fully insured dental plans, and life and AD&D insurance. Throughout the benefit development process, HCA will continue to work with stakeholders to ensure it considers school employees' needs as benefits are designed.

In April, HCA will release Requests for Information (RFI) or other procurement documents to begin the procurement process for fully insured medical plans, short-term and long-term disability insurance, and vision insurance coverage. Next year, the HCA and its actuarial contractor will determine the rates (the total costs paid to the carriers) for the newly adopted benefits after the procurements are completed. The SEB Board will then vote on the employee's share (the monthly premiums) after accounting for the state's share.

The SEB Board meets next on April 30, 2018, to vote on resolutions presented at the March 15, 2018, meeting to establish the:

- Coverage effective date following hire.
- Benefit election period for new employees.
- Premium tier structure.

Below is a summary of the 11 resolutions (with their policy resolution reference numbers) approved by the SEB Board. See the [SEBB Frequently Asked Questions page](#) for more information.

Dependent Eligibility Criteria Policy Resolutions

- **Spouse and Domestic Partner** (SEBB 2018-01)—Eligible school employees enrolled in SEBB benefits may enroll a dependent that satisfies one of the following criteria:
 - Legal spouse
 - [State-registered domestic partner](#)
- **Dependent Child** (SEBB 2018-02)—Eligible school employees enrolled in SEBB benefits may enroll a child up to age 26 that satisfies one of the following criteria:
 - Children of the employee based on the establishment of a parent-child relationship as described in Revised Code of Washington (RCW) [26.26.101](#), except when parental rights have been terminated;
 - Children of the employee's spouse, based on the spouse's establishment of a parent-child relationship, except when parental rights have been terminated. The stepchild's relationship to the employee (and eligibility as a dependent) ends on the same date the marriage with the spouse ends through divorce, annulment, dissolution, termination, or death;
 - Children of the employee's state-registered domestic partner, based on the state-registered domestic partner's establishment of a parent-child relationship, except when parental rights have been terminated. The child's relationship to the employee (and eligibility as a dependent) ends on the same date the employee's legal relationship with the state-registered domestic partner ends through divorce, annulment, dissolution, termination, or death;
 - Children for whom the employee has assumed a legal obligation for total or partial support in anticipation of adoption of the child;

- Children specified in a court order or divorce decree for whom the employee has a legal obligation to provide support or health care coverage; and
- Children of any age with a developmental disability or physical handicap that satisfies all of the following criteria:
 - The employee must provide proof of the disability and dependency within 60 days of the child's attainment of age 26;
 - The employee must agree to notify the SEBB Program, in writing, no later than 60 days after the date the child is no longer eligible under this subsection.
 - A child with a developmental or physical disability who becomes self-supporting is not eligible under this subsection as of the last day of the month in which he or she becomes capable of self-support;
 - A child with a developmental or physical disability age 26 and older who becomes capable of self-support does not regain eligibility if he or she later becomes incapable of self-support;
 - The SEBB Program will, with input from the applicable contracted vendor, periodically certify the eligibility of a dependent child with a disability beginning at age 26, but no more frequently than annually after the two-year period following the child's 26th birthday, which may require renewed proof from the employee.
- **Extended Dependent Child** (SEBB 2018-03)—Eligible school employees enrolled in SEBB benefits may enroll a child up to age 26 that is an extended dependent in the legal custody or legal guardianship of the employee, the employee's spouse, or the employee's state-registered domestic partner. The legal responsibility is demonstrated by a valid court order and the child's official residence with the custodian or guardian. Extended dependent child does not include a foster child unless the employee, the employee's spouse, or the employee's

state-registered domestic partner has assumed a legal obligation for total or partial support in anticipation of adoption.

Procurement Resolutions

The School Employees' Benefits Board (SEBB) Program will perform procurements for:

- Fully insured medical plans from multiple carriers with widespread coverage offerings (SEBB 2018-04).
- Long-term disability insurance that includes possible employer-paid and employee-paid coverage options (SEBB 2018-08).
- Short-term disability insurance that includes employee-paid optional coverage. This benefit will not include employer-paid coverage (SEBB 2018-09).
- A vision benefit that is not integrated into medical plans (SEBB 2018-11). The SEB Board will evaluate later whether to offer vision benefits integrated, stand alone, or a combination of both approaches.

Benefit Resolutions

Beginning January 1, 2020, the SEBB Program will offer:

- Self-insured medical plans with features similar to the Uniform Medical Plan such as covered benefits, provider networks, clinical policies, and an integrated pharmacy benefit. Offerings are subject to final financing decisions by the state (SEBB 2018-05).
- Fully insured dental plans similar to the fully insured dental plans offered under the Public Employees Benefits Board (PEBB) Program. In 2020, the SEB Board will evaluate whether they should pursue a fully insured dental plan procurement to consider additional or different offerings (SEBB 2018-06).
- A self-insured dental plan with features similar to the Uniform Dental Plan such as covered benefits, clinical policies, and provider networks, subject to final financing decisions by the state (SEBB 2018-07).
- Life insurance and accidental death and dismemberment (AD&D) insurance with coverage offerings and covered benefits similar to those offered under the PEBB Program (SEBB 2018-10).

Alliance of Educational Associations

Mitch Denning, Ph.D., AEA Consultant
AEA is an affiliate of WASA

Alliance of Educational Associations, comprised of Washington Association of Maintenance and Operation Administrators (WAMOA) and Washington School Nutrition Association (WSNA), felt positive about the Legislature's response to our 2018 priorities. This report will review (1) [ESSB 6032](#), **2018–19 Supplemental Operating Budget**; (2) [SSB 6090](#), **2017–19 Capital Budget**; (3) [ESSB 6095](#), **2018–19 Supplemental Capital Budget**; (4) [E2SSB 6362](#), **McCleary plan for basic education**; and (5) several bills that AEA supported or watched with keen interest. The budget provisions discussed will apply to classified employees.

[ESSB 6032](#), (C299 L18) **2018–19 Supplemental Operating Budget:**

1. Fully funds K–12 basic education salaries per the *McCleary* decision for implementation in SY 2018–19; (\$775.6 million); minimum average salaries are Certificated Instructional Staff (CIS) \$65,024; Classified Staff (CLS) \$45,912; and Certificated Administrative Staff (CAS) \$95,000.
2. Increases **Special Education** funding by \$26.9 million due to increasing the special education multiplier.
3. Funding is provided to help attract and retain teachers in school districts west of the crest of the Cascade mountains for those school districts that border another school district with a **regionalization factor** at least one tercile higher (applies to six districts) (\$4.4 million).
4. Beginning in SY 2019–20, and to be funded in the 2019–21 Operating Budget, school districts with above-average education and experience for CIS staff receive a 4% **experience factor** (applies to 56 districts).
5. Funding is provided for **regional safety**, multi-tier threat assessment systems, and notification to schools to enhance student safety (\$722,000).
6. [E2SHB 2779](#), (C175 L18) will deliver **mental health instruction** in two high school pilot sites (\$40,000).

7. Funds to implement [2ESHB 1508](#), (C8 L18) **Breakfast After the Bell (\$1.2 million)** and \$60,000 for OSPI to collect, analyze and promote best practices in school district meal charge policies in [ESHB 2610](#), (C271 L18) **hunger-free students' bill of rights**.
8. **McCleary Penalty Account (\$105.2 million)**: is established to collect monetary sanctions (\$100,000 per day) ordered by the Supreme Court in the *McCleary* case, including: (a) amounts equal the sanctions as of June 30, 2018, are transferred from the General Fund to this dedicated account; (b) for FY 2019, funds are appropriated from the account for basic education enhancements to the special ed multiplier; (c) adjustments to the regionalization factors for school districts; and (d) K–12 salary allocations.
9. **School Employees' Benefits Board (SEBB) (\$28.7 million)**: is provided for the SEBB program by the Health Care Authority; as of January 1, 2020, all K–12 employee health benefits will be provided by the SEBB.

[SSB 6090](#), (C2 L18) **2017–19 Capital Budget**, passed January 18, 2018, after a long delay due to a water rights disagreement between the two parties. Overall, the budget calls for \$4.2 billion spending plan, with K–12 funding of \$1.03 billion.

K–12 Enhancements:

1. **School Construction Assistance Program Enhancements (\$933 million)**: with SCAP funding increased to provide assistance to districts who qualified for the July 2017 release, and weren't funded in the absence of a capital budget, as well as those qualifying for the July 2018 release, and \$1 million of the allocation is to be used for study and survey grants and completing inventory and building condition assessments which are due every six years.
2. **Small Rural District Modernization Grant (\$35 million)**: (a) Applies to school districts who have less than 1,000 FTE whose school facilities have low property values that replacing or modernizing the

school facility would exceed allowable debt for the school district; (b) \$11.2 million is provided for such school districts; and (c) \$23.8 million is provided for specific school districts including, Mount Adams SD (\$14.3 million), South Bend SD (\$7.7 million), and Lopez Island SD (\$1.8 million).

3. **Distressed Schools (\$21.2 million):** (a) \$19.6 million is provided for Seattle SD to address challenges related to extraordinary growth and to maintain and repair existing facilities; (b) \$500,000 is provided for maintenance to improve the health and environment for staff and students at Eckstein MS (Seattle SD); and (c) \$1.1 million for Black Diamond Elementary (Enumclaw SD).
4. **STEM Classrooms and Labs (\$13 million):** (a) \$2.8 million for Federal Way SD to merge STEM facilities; (b) \$200,000 for a contract with the STEM Education Innovation Alliance; and (c) \$10 million for the STEM Classroom Grant Program.
5. **Skills Centers (\$13.807 million):** (a) Tri-Tech Skills Center–Kennewick Core Growth (\$10.807 million); and (b) Minor Works (\$3 million).
6. **Emergency Repairs and Equal Access Grants (\$6 million):** (a) Emergency Repair Grants–Catastrophic Immediate Issues (\$2 million); (b) Urgent School Repair Program (\$3 million)–**WAMOA consults with OSPI**; and (c) Equal Access Grants of ADA Compliance (\$1 million).
7. **Healthy Kids/Healthy Schools Grants (WAMOA and Dept of Health consult with OSPI) (\$3.25 million):** (a) Removal of lead-contaminated drinking water fixtures (\$1M); (b) Purchase physical education equipment (\$1 million); (c) Recycling grants (\$250,000); and (d) Kitchen equipment grants (\$1 million).
8. **Career & Technical Education Equipment Grants (\$1 million):** (a) Bellevue SD (\$72,000); (b) Issaquah SD (\$50,000); (c) Elma SD (\$30,000); and (d) rest of school districts (\$868,000).
9. **Other K–12 Enhancements include:** (a) Ag Science in Schools Grant to FFA Foundation (\$1.750 million); (b) Everett Pathways to Medical Education (\$2 million); and (c) OSPI Capital Administration (\$3.6 million).

10. **Joint Legislative Task Force on Improving Funding School Construction** is established, and it is composed of two senators from each caucus representing the Senate Ways & Means and Early Learning & K–12 committees, and two representatives from each caucus representing the House Capital Budget and Education committees. Two additional members may be selected representing large and small school districts.

The Task Force shall review the following issues: (a) improvements in the SCAP funding assistance over several biennia; (b) utilization of school spaces for multiple purposes; (c) school design and construction approaches that support effective teaching and learning by delivering education through innovation, sustainable, cost-effective and enduring design and constructional methods; and (d) recent reports on school construction, included but not limited to the School Construction Cost Study from ESD 112 and the efforts of collecting inventory and condition of school data by the WSU extension energy office.

The Task Force will submit its final findings and recommendations to the governor, OSPI, and appropriate legislative committees by December 15, 2018. WAMOA representatives will be attending these meetings.

11. **In the Department of Natural Resources Capital Budget, the Public Schools Seismic Safety Assessment Survey**, is funded, and includes the following: (a) A minimum of 25 public school facilities that have a capacity of 250 persons and are used for K–12 instruction must be included in the survey; (b) the survey must be representative of urban and rural public schools in different geographical regions of the state; (c) OSPI and DNR must provide technical assistance to selected districts who are taking part in the survey; and (d) the final report is to be submitted to Office of Financial Management and appropriate legislative committees by December 15, 2019.

ESSB 6095, (C298 L18) Supplemental Capital Budget:

1. Adds \$16.2 million to OSPI’s SCAP program for additional districts that are scheduled to receive assistance funds in July 2018.

2. **Distressed Schools (\$24.3 million)**: is allocated to Toledo SD (\$10 million), with a required \$7 million in-kind match by June 30, 2019; Frantz H. Coe (\$7.9 million) Seattle SD; Chief Leschi School auditorium (\$3.5 million) Puyallup Tribal School; and Glacier site middle school (\$2.9 million) in Highline SD.
3. **Small Rural District Modernization Program (\$1.3 million)**: is provided to Damman SD in Ellensburg and \$576,000 to Wishkah Valley SD in Aberdeen.

E2SSB 6362, (C266 L18) McCleary Plan for Basic Education, includes the salary increases for basic education funded staff, beginning in SY 2018–19. Also included are specific provisions that apply to school maintenance and nutrition staff.

1. Beginning in SY 2018–19, one **state-funded professional learning day** will be phased in over three years period. Classified staff should check with their district administration to see how this provision applies to them. Originally, the bill delayed this implementation until SY 2019–20; however, the **governor vetoed this provision** as he felt that professional training is important for effective student learning and should not be delayed.
2. With the full funding of basic education, there will not be a dependence on **local levies** for picking up the state costs. However, the local M&O levy, soon to be called a **local enrichment levy**, will in some districts be necessary to help fund school maintenance and nutrition services. Those levies in CY 2019 will be reduced to either \$2,500 per student or \$1.50 per \$1,000 of assessed valuation. Prior to this implementation in SY 2018–19, it is suggested that school maintenance and nutrition directors also consult with their district administration to discuss the effect of their programs on the capacity of their local enrichment levy.

Levy and Local Effort Assistance (LEA) provisions include: (a) the inflation factor used to increase the LEA threshold (\$1,500 per \$1,000 of assessed valuation), and the maximum per pupil limit (\$2,500 per student) is changed to the CPI from the IPD; (b) beginning in SY 2018–19, local levies may only be used for enrichment activities; (c) districts must

establish a “sub-fund” for local revenues, and each specific levy will be audited; (d) clarifies that the \$1.50 per \$1,000 or \$2,500 per pupil levy limitations only apply to the enrichment levies but not transportation or capital levies; and (e) audit and separate accounting requirements apply to all levies.

3. **Hold Harmless provisions** include: (a) for SY 2018–19 and SY 2019–20, a school district qualifies for a hold-harmless payment if the total state allocation, enrichment levies, and LEA is less than what the district would have received based on the levies collected in 2017; and (b) \$12 million is appropriated for hold-harmless payments, prioritized for school districts that received less than half in levies and LEA than it would have received under law as it existed on January 1, 2017, and that have an adjusted assessed property value in the school district of greater than \$20 billion. The governor vetoed a similar provision which became obsolete when the levy cliff was avoided.
4. **Definition of School Day Work Group** is established, and OSPI is required to convene a work group to make recommendations for defining duties performed in a “school day,” considering duties outside of school instructional time that are covered by state salary allocations.
5. OSPI’s drafting of **new expenditure accounting rules**, originally to be done by September 1, 2018, was vetoed. Now OSPI must have them ready for districts to implement by SY 2019–20 as more time is needed. Ironically, the governor took no action on the sections that require districts to create and use a general fund “sub-fund” for state and local expenditures by September 1, 2018. So, there will not be required guidance from OSPI.

E2SSB 6168, Recycling and Composting in Schools, passed the Senate but died in House Rules. It would have allowed public schools to offer students the opportunity to compost their food and waste and to recycle appropriate materials. Also, it would have authorized the State to provide for free pickup of compost and supplies for schools that do not currently have the necessary pickup and supplies.

SSB 6531, School Construction Assistance Program (SCAP), passed the Senate, but died in House Capital Budget. Supported by AEA, it would have made phased-in changes to the amount of the Construction Cost Allowance (CCA), Student Space Allocation (SSA) and the statutory Funding Assistance Percentage (FAP), the funding components of the SCAP program, beginning July 1, 2019, and ending June 30, 2027. It would have also codified the CCA and the SSA funding components of the SCAP. We believe that the Joint Legislative Task Force on Improving School Construction Funding will consider this bill during their interim meetings.

SSB 6620, Security and Safety of Students in Schools, died in Senate Rules. It would have created a grant program for districts to implement emergency response systems. It would have established an anonymous reporting system, expanded regional safety efforts and facilitated school resource officers. It would have prohibited the sale or transfer of a semi-automatic rifle unless both a federal and state background check were completed through law enforcement. Finally, it would have prohibited a person under the age of 21 from purchasing a semiautomatic rifle.

ESHB 2311, Reducing Barriers to Student Participation in Extracurricular Activities, died in Senate Rules. It would have required that the process of for charging and collecting fees from low-income high school students be kept identical to that for other high school students. It would have required schools to make efforts to automatically charge discounted fee rates or streamline fee collection procedures for eligible students. Finally, it would have limited student physical examinations requirements to one exam every 24 months, unless recommended by a medical authority.

2ESHB 1508, (C8 L18) Breakfast After the Bell (BAB), was signed by the Governor on March 7, and its implementation will enable many more students in high-need schools, beginning in SY 2019–20, to eat a healthy breakfast and therefore to do better academically in school.

The bill was first introduced in 2014, as an unfunded mandate. Unfortunately, because it was an unfunded mandate, WSNA opposed the bill, surprising a lot of individuals. We stood firm in our position for the next several sessions, and the bill finally was funded.

This year, the House passed the bill on January 10, by a vote of 85–13, with strong bipartisan support. It was the first bill passed by the House in the 2018 session. Then on January 31, the Senate passed it, with amendments, by a vote of 43–5, marking the first time ever that a BAB bill has passed the Senate. On February 19, the House concurred with the Senate amendments, and it forwarded it to the governor’s desk.

Representing WSNA at the signing of the bill in the governor’s office on March 7, were Alicia Neal, director, food and nutrition services, and Trish Dela Cruz, field coordinator, food and nutrition services, both of North Thurston School District. Also, in attendance were Donna Parsons, director, child nutrition services, and Leanne Eko, assistant director, child nutrition services, both OSPI. The bill takes effect June 7, 2018.

2ESHB 1508, is funded in ESSB 6032, the 2018–19 Supplemental Operating Budget, in the amount of \$1.2 million. This includes \$1.074 million for startup grants, and \$126,000 for OSPI staffing costs to implement the program. This allocation provides about 179 high-need schools with BAB startup grants of \$6,000 and serves about 47% of the state’s 377 high needs schools.

ESSB 6032, (C299 L18) \$144,000 for the Washington State Department of Agriculture to implement the **Farm-to-School program** in the Department of Agriculture budget section, and \$30,000 for the Joint Legislative Audit and Review Committee (JLARC) in their budget section to review the results of the BAB program in 2026.

2ESHB 1508, provides that the period for students to consume breakfast in the classroom and participate in classroom instruction is counted as “instructional time.” This issue has been a barrier for districts in the past in starting a BAB program.

OSPI will, based on legislative funding, be able to award grants to districts to collaborate with community-based organizations, food banks and farms or gardens for reducing high school dropout occurrences through farm engagement projects.

ESHB 2610, (C271 L18) Hunger-free Student's bill of rights or school meal payment passed both houses, and now awaits the governor's signature. On March 15, WSNA sent a letter to the governor requesting that he veto the entire bill.

The original bill contained a provision where any paying student could ask kitchen staff to provide him or her a free meal upon request. This provision would have led to a significant loss of local district revenue. WSNA was pleased that the House Appropriations Committee removed this provision from the bill on February 6, although the final bill still contained language that prohibits taking meals away from students.

The final bill contains six provisions, including: (1) prohibits schools and districts from taking action directed at a student under the age of 15 to collect unpaid school meal fees, and from stigmatizing a student who cannot pay for a school meal; (2) requires districts to notify parents or guardians of the negative balance of a student's meal account no later than 10 days after the account has reached a negative balance; (3) requires OSPI to collect, analyze, and promote to districts and community-based organizations best practices of local meal charge policies; (4) requires schools and districts to improve systems to identify homeless students, students in foster care, runaway and migrant students to ensure that each student has proper access to free school meals; (5) requires schools and districts, at least monthly, to directly certify students for free school meals if the students qualify because of enrollment in assistance programs; and (6) requires schools to annually distribute and collect applications for free and reduced-price meals to student households, and to, if necessary, provide related language assistance to parents and guardians.

ESSB 6032 also allocates \$60,000 to OSPI to collect, analyze, and promote best practices in school district meal charge policies.

WSNA feels that the bill needs more work and currently there are several conflicts with federal law in the bill. Also, there are several provisions which would create unfunded mandates on districts when they attempt to implement the bill. Further, the implementation of the bill could reduce actual nutrition services to students which is certainly not the result that the bill's sponsors intended.

Because of these reasons, WSNA did submit a veto request, along with WASA and WSSDA, requesting that the governor veto these troublesome sections.

However, on March 27, the governor signed the bill despite veto requests from WSNA, WASA, and WSSDA. Right after the bill's signing, the governor's office began inviting various organizations to join in a meeting with the bill's prime sponsor, Rep. Strom Peterson (D-Edmonds) to discuss concerns raised by the veto letters. Joining WSNA, were WASA and WSSDA, among others, in a working group to eventually recommend changes in the bill for the 2019 session.

SHB 2712, as initially introduced, **eliminated the \$.40 copay** for reduced-price students in grades 4–12, passed the House, but died in Senate Early Learning & K–12. On February 6, the bill was amended by House Appropriations to only include pre–K reduced-price students. With breakfast after the bell program now being implemented, and final steps in implementing the *McCleary* court order taking place, WSNA may work on extending the copay in the 2019 session.

Also, SHB 2712 would have directed OSPI to develop and implement a plan to increase the number of schools participating in the community eligibility provision beginning in SY 2018–19.

WAMOA 2018 Interim Plans

- Follow closely the work and attend the meetings of the Joint Legislative Task Force on Improving School Construction Funding;
- Follow up with the following legislators and their legislative assistants regarding spring or fall school visits. Interested legislators include Sen. Brad Hawkins (R-Wenatchee), Sen. Keith Wagoner (R-Sedro Woolley), and Sen. Guy Palumbo (D-Maltby); Rep. Nicole Marci (D-Seattle), Rep. Monica Stonier (D-Vancouver), Rep. Mary Dye (R-Pomeroy); Rep. Jeff Morris (D-Mt. Vernon); Rep. Norma Smith (R-Clinton), Rep. Jim Walsh (R-Aberdeen), Rep. Beth Diglio (D-Olympia), Rep. Vickie Kraft (R-Vancouver), Rep. Mike Volz (R-Spokane), Rep. Mike Steele (R-Chelan), and Rep. Strom Peterson (D-Edmonds); and

- WAMOA representatives are working with OSPI on the Small Repair Grant, and OSPI and the Dept of Health on the Healthy Kids / Healthy Schools Grant implementation activities.

WSNA 2018 Interim Plans

- WSNA Meals for Kids legislative committee plans to do a breakout session on involvement with local legislators at the August 2018, WSNA annual conference in Tacoma;
- WSNA will continue to work with key legislators during the 2018 interim on key WSNA 2019 legislative issues, including;
 1. At the district directors and supervisors (DDS) meeting in Leavenworth on March 23, input was received on ESHB 2610 regarding possible policy changes; on March 27, WSNA was invited to take part in a meeting with other K–12 associations and the bill’s prime sponsor, to discuss how changes could be made by the 2019 Legislature;
 2. Plan for proposed full funding of 2ESHB 1508 and elimination in grades Pre–K and 4–12 of the reduced-price lunch copay in the 2019–21 Operating Budget; and
- WSNA will work with interested legislators in planning school visits in their legislative districts, either in this spring or next fall.

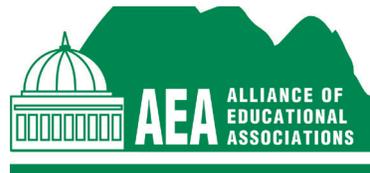
ALLIANCE OF EDUCATIONAL ASSOCIATIONS

Washington Association of Maintenance and Operations Administrators (WAMOA)

www.wamoa.org

Washington School Nutrition Association (WSNA)

www.washingtonsna.org



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2017–18 LEGISLATION AND FINANCE COMMITTEE

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WASA	Bill Keim, Executive Director Dan Steele, Assistant Executive Director Steve Webb (President) Sheila Chard, Administrative Assistant
Consultants	Mitch Denning (AEA) Fred Yancey (Pension/Health Benefits) Melissa Gombosky (AESD)

2018 LEGISLATIVE PLATFORM

COMPLY WITH THE PARAMOUNT DUTY

The additional investments in basic education provided by the 2017 Legislature through EHB 2242 (*McCleary* Plan) and SSB 5883 (2017–19 Budget) are appreciated; however, those enhancements do not fully fund the actual cost to school districts to offer an appropriate basic education program for all Washington school children. The funding is not ample, as required by the constitutional “paramount duty,” and WASA believes the Legislature should continue to be held accountable for meeting this obligation.

To fully comply with its constitutional mandate, the 2018 Legislature must address specific deficiencies of EHB 2242/SSB 5883, including:

- **Special Education.** While additional funding is provided for special education, there was no increase in per student funding (i.e., the excess cost multiplier), which will continue to force many districts to use limited local levy funds to backfill the state’s funding gap.
- **Salary Allocations and State Schedule.** Additional funds are also provided to support educator compensation; however, that enhancement is still not enough to fund actual salary or staffing costs. Instead, EHB 2242 institutes a new one-size-fits-all statewide average salary allocation, while eliminating an essential equity funding mechanism: the staff mix factor. Districts with more experienced staff will be forced to raise additional (albeit limited) revenue to retain those educators or be forced to discriminate against more senior staff in hiring decisions—or make program cuts. Compensation funding is neither ample nor equitable.
- **Levies.** EHB 2242 exacerbates current inequities between districts by capping levy authority of property rich districts at the lesser of \$1.50/\$1,000 AV or \$2,500 per student, while levy authority of neighboring property poor districts is capped at a much lower \$1,500 per student—including state-funded Local Effort Assistance.
- **Regionalization.** EHB 2242’s calculation methodology and application of regionalization factors intensifies current district inequities, forcing needless competition for staff between neighboring districts.

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.

SUPPORT SCHOOL FACILITIES

In 2017, over \$1.0 billion of school construction funding was left on the table following the failure to adopt a Capital Budget. The first priority of the 2018 Legislature should be to enact a full Capital Budget. WASA also urges the Legislature to: advance a constitutional amendment to the people authorizing school district bond issues to be approved with a simple majority vote; enhance the state’s investment in K–12 construction by updating the current, outdated funding formulas for the Construction Cost Allowance and Student Space Allocation to ensure funding more closely reflects actual construction costs and educational space needs; and provide school districts that have difficulty passing local bonds with capital funds to support necessary new construction or modernization.

EXPAND AVAILABLE STATE RESOURCES

The current state budget structure cannot accommodate both necessary increases in basic education to ensure ample funding for all K–12 children, and sufficient resources for other vital state programs. WASA supports expanded state resources or a restructured tax system to ensure ample, sustainable, and equitable revenues to enable the Legislature to fully comply with its constitutional paramount duty and also prevent drastic reductions of other necessary government services—which would have significant impacts on K–12 education.

*Approved by the WASA Legislation and Finance Committee 9/11/2017
Approved by the WASA Board of Directors 10/9/2017*