

# 2023 LEGISLATIVE REPORT

A PUBLICATION OF THE WASHINGTON ASSOCIATION OF SCHOOL ADMINISTRATORS

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## 2023 Session Overview

**Dan Steele, Assistant Executive Director, Government Relations, WASA**

Before the start of the 2023 Session, we had to determine who would be IN the Legislature. The stage was set for a major overhaul of the Legislature in the November election. Sure enough, the face of the Legislature changed fairly dramatically; however, not in the way originally predicted. For months before the election there was talk of a “Red Wave” that would sweep in more Republicans and potentially change the long-standing Democratic majorities in both the House and Senate. Well, that “Red Wave” never materialized in Washington State (and, most of the country)—in fact, Democrats expanded their majorities, as they gained seats in both houses.

In 2022, the Democrats controlled the Senate with 29 members to the Republican’s 20 members. (Note, however, that one dissident Democrat caucused with Republicans, effectively lessening the Democratic majority to 28–21.) In 2023, Democrats continued to control the Senate with 29 members to the Republican’s 20 members. (The one Republican-caucusing Democrat retired from the Legislature, so Democrats had a “real” 29–20 majority.) In the House, Democrats held 57 seats to the Republican’s 41 seats in 2022. Following the election, Democrats increased their majority with 58 seats to the Republican’s 40 seats.

The Democratic majorities increased slightly, but of more importance was the number of new legislators. Many legislators—some of them long-time members—chose not to run for re-election this past November. Most retired from the Legislature, while a few of them chose to run for different elected positions. With retirements and election outcomes, more than two dozen new lawmakers were sworn in this year (7 in the Senate and 22 in the House). Considering our Legislature has 147 members, 29 new members had a major impact (and this is on top of considerable turn-over in the previous two elections).

More consequential was the number of legislators that left who were either in leadership positions or were Committee Chairs, which forced a shuffling of the deck. While these changes impacted priorities and the approach to many issues, it should be noted that many key positions remained status quo, including the two Education Committee Chairs (Senator Lisa Wellman, D-Mercer Island; and Representative Sharon Tomiko Santos, D-Seattle); and the Chairs of the two budget-writing committees, the Senate Ways & Means Committee and the House Appropriations Committee (Senator Christine Rolfes, D-Bainbridge Island; and Representative Timm Ormsby, D-Spokane).

With Democrats continuing to lead both houses (in addition to Democrat’s continued control over the governor’s office), they continued to control the agenda. The list of priorities was lengthy, including: homelessness and housing; climate change; behavioral health; public safety; salmon recovery; reproductive health care; and gun control. Consequential legislation was introduced on all of these issues—and many of them successfully crossed the finish line to become law. One clear change in priorities this year, given the increased number of progressive Democrats,

was a heavy (heavier than normal) focus on labor and/or employee-related issues. There were a mix of wins and losses in that category (as you can see in the Bills Passed and Bills That Died sections later in this Report).

Although legislators entered the session with an ambitious set of priorities, as noted above, conspicuously absent in most conversations was K–12 education. Legislators consistently insisted that K–12 “got theirs” in previous sessions, with funding more than doubling in the past decade, including substantial increases in the past two years. It is hard to argue facts; however, legislators too often ignore the context to those facts. Funding increased from \$6.7 billion in Fiscal Year 2013 to \$14.3 billion in Fiscal Year 2023—but this included substantial required increases between Fiscal Year 2017 and Fiscal Year 2019, due to the state’s loss in the *McCleary v. State* education funding lawsuit wherein the Supreme Court found the Legislature was unconstitutionally underfunding basic education. They also neglect to discuss the significant amount of one-time federal pandemic-related funds that are a part of the increases in the last two years—funding which is phasing out. And, of course, there is little-to-no talk of the increasing costs to education. A substantial amount of recent increases are REQUIRED Maintenance Level increases to sustain current policies adopted by the Legislature.

Regardless of the level of funding received, the Legislature still has multiple unmet obligations. Special education is a basic education program, but was virtually ignored in *McCleary* funding increases. Staffing allocations in the Prototypical School Funding Model were legally required to be fully enhanced (to match reality) in 2015–17; then delayed to 2017–19; only to be repealed in 2017. In 2022, the Legislature finally bumped initial allocations for physical, social, and emotional support staff (nurses, counselors, social workers, and psychologists)—phased in over three years—but has refused to further discuss additional enhancements recommended by 2019’s Staffing Enrichment Workgroup. The list of urgent needs goes on.

Getting K–12 education on legislators’ radar in 2023 was an uphill battle. Prior to session, we had to overcome two major obstacles. Public perception was the first issue. Every December Elway Research (Crosscut/Elway Poll) conducts a poll of registered voters regarding the upcoming legislative session. One of the standard, open-ended benchmark questions asked in each poll for almost 30 years is: “In your personal opinion, what are the most important issues the Legislature should focus on during this session?” Education came in dead-last in the poll (with only five percent of respondents mentioning education as a priority).

Voter support for public education continues to diminish and is impacting legislators’ views on the matter. (This overall declining view of public education is another subject for another day, but the effect on legislators is real.) For some legislators that continue to suffer from the mythical malady of “education fatigue,” they see the public’s negative attitude as giving them license to focus on priorities other than K–12 education.

We also faced Governor Inslee’s continued neglect of K–12. As required by law, he released his 2023–25 Operating Budget request in mid-December. His request would have increased the overall budget by \$6.26 billion, with \$4.85 billion of that total comprising discretionary Policy Level requests. Inslee (who has never been accused of being an “education governor”) was laser-focused on housing and homelessness, climate change, and few other key issues—and seldom mentioned K–12. And when he did, he stressed his budget would continue funding of staffing allocations (which were already adopted and required to be funded) and increase funding for special education (by a token \$120 million). Further, he boasted about his proposal increasing K–12 education by \$3.0 billion. What he failed to mention

is that almost \$2.8 billion of that total was REQUIRED Maintenance Level funding. His total request for Policy Level increases was less than \$280 million.

So, a rough road was laid before school administrators as they made their way to the Capitol. Because of the prevailing attitude against support for public education, we had to claw for everything we received this session—and school administrators should be applauded for their advocacy efforts. Only through the ongoing engagement and hard work of school administrators, mostly in concert with our colleagues in the education community, WASA was able to achieve some wins—even though more work clearly needs to be done.

## K–12 Priorities

So, how did K–12 education—and WASA—priorities fare? As discussed in the next section of this Report (2023–25 Operating Budget), the 2023 Session turned out to be a mixed bag. There were some big wins, but also some disappointments and missed opportunities. Our greatest success was achieving a substantial increased investment in special education.

**Special Education.** The declaration of a “win” in terms of special education should be a bit tempered. While the Legislature ultimately provided a \$371.0 million increased investment, it turned out to be a herculean task to get the funding over the finish line. Prior to Session, it appeared the stars were aligning to finally persuade the Legislature to step up to their legal obligation to fully fund special education—a major disregarded component of the *McCleary* education funding lawsuit.

WASA highlighted the issue in its 2023 Legislative Platform, along with most of the rest of the major education associations—including WSSDA, WASBO, AWSP, WSPA, PTA, WEA, and PSE—and several key legislators signaled the need to finally address the issue. Superintendent Reykdal also highlighted the issue in his 2023–25 budget request. Unlike previous sessions, wherein the OSPI budget requests took a very pragmatic approach and asked for somewhat token increases, Reykdal boldly asked for sufficient funding to fully cover the cost of special education services and relieve districts from using local revenue, including local levies to backfill the underfunding. His initial request was almost a billion dollar increase (\$971.9 million). Shortly after the Session began, however, caseload and Maintenance Level numbers were updated, and the request was revised to \$803.0 million.

Most legislators immediately balked at providing \$800+ million for special education. (As discussed above, skeptics included Gov. Inslee, who said he was “hopeful we can increase funding for special education”—then suggested \$121.6 million was an appropriate investment.) Some legislators focused on the budget number, while others focused on specific details in the proposed bills (HB 1436 and SB 5311). In fact, many legislators used the policy issues in the bill to manipulate the budget number. Those policy issues were plentiful:

- The issue that received the most play was the arbitrary 13.5 percent **enrollment funding cap**. Reykdal requested the enrollment cap be eliminated, while Inslee requested the cap simply be increased to 15.0 percent. Senator Lisa Wellman (D-Mercer Island), Chair of the Senate Early Learning & K–12 Education Committee, introduced a stand-alone bill (SB 5064) to increase the cap to 14.5 percent. Her argument was that the national average of special education students was 14.5 percent—and that was an appropriate limit. WASA argued that by maintaining ANY cap, regardless of the number, the Legislature was admitting it would never fully fund special education.

## Editor's Note:

My thanks to Joel Aune, Andy Wolf, Michael Nelson, Kim Fry, Mary Templeton (Legislation & Finance Committee Chair), Michelle Whitney (WASA President), Mike Villareal (WASA President-elect), Fred Yancey (Pensions/Health Benefits Consultant), Mitch Denning (WAMOA), Melissa Gombosky (AESD), the ESD Superintendents, and members of WASA's Legislation & Finance Committee (see page 110) for participating in the weekly conference calls, and to WASA members for participating in our advocacy efforts by reading *TWIO*, listening to the Legislative Podcast, contacting legislators, Zooming into or coming to Olympia to testify, and engaging with your communities in support of Washington's students and public schools. Together, we can make a difference!

An additional thank you to: our WASBO colleagues, Executive Director Brianne King and Legislative Affairs Committee Co-Chairs JoLynn Berge and Mitch Thompson; and our WSPA colleagues, Executive Director Darrell Heisler and Legislative Committee representatives Doug Christenson, Dan Dizon, and Vivian Jensen.

Last, but not least, thanks go to my WASA staff colleagues for their support—in particular Sheila Chard, for her continuing excellence, good humor, humility, and friendship. I'm so very grateful for you.

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- Enhancing the **tiered multipliers** was the costliest piece of the puzzle, so it received its share of attention. Reykdal requested funding to increase the special education tiered multipliers to move the state closer to a funding model that more closely reflected the actual costs of service delivery. The increases would be in three tiers: Least Restrictive Environment (LRE 1) for students who are in general education classrooms for at least 80 percent of the school day; LRE two—three for students who are in general education classrooms for less than 80 percent of the school day; and 3—PreK for three through five-year-old students not yet enrolled in kindergarten. The multipliers would have been phased-in over four years under Reykdal's plan. The governor boasted about supporting funding for special education; however, his request would have not provided ANY increase in multipliers for K–12 students—but did include a token increase in the PreK multiplier.
- A reduction in the **safety net threshold** did not garner a significant amount of debate—although this is a positive action (the final bill only cost \$5.5 million for the biennium).
- Sustaining the **Inclusionary Practice Project (IPP)** was supported by Reykdal and the governor (both at \$10.0 million for the biennium) and most legislators. It was originally overlooked in the Senate, but it was a late addition to the final bill. Unfortunately, this was also a “small ticket” item at \$10.0 million, but ultimately was funded at \$5.0 million. It is our understanding Superintendent Reykdal will be asking for the remaining \$5.0 million to sustain the program in his 2024 Supplemental Operating Budget request. And, with or without him, we will be pushing for the “full” allotment for the biennium.
- Given the concern over funding, many legislators asked for a special education **performance audit** to be included in the final package. There was not much of a fight against it; however, the rationale for it sparked considerable debate. More on that below.

Setting the policy issues aside, the big fight came down to funding. The full need of \$803.0 million was never a real discussion among legislators. The Senate's funding fluctuated, but ultimately landed at \$371.0 million (which was the final funding). The House's number also fluctuated, but they had to be dragged, kicking, and screaming to put \$179.0 million in their bill.

Legislators can have their own opinions; however, the debate about special education in the House of Representatives was an embarrassment. On March 2, House Democrats moved their special education funding bill to the House Floor (an early version of HB 1436). One of the amendments put forward on the Floor was a full striking amendment introduced by House Republicans. In large part, it mirrored the Senate bill (then SB 5311). The major pieces that would have been altered was a bigger increase in multipliers; an enrollment cap increase to 15.0 percent; and ESD special education advocates (a provision that fell off the table before the final bill was adopted). The striking amendment would have maintained the House's proposed safety net threshold; a requirement regarding general education funds being provided to special education students; an OSPI disproportionality review and assistance with IPP; and a required performance audit.

House Republicans argued that the bill on the table did not go far enough—and would not meet the constitutional requirement to fully fund special education. There were also a few comments wherein there was an admission that the Legislature blew it by not addressing special education funding as a part of the *McCleary* solution.

House Democrats, for their part, struggled to present legitimate arguments that did not sound like they were opposed to fully funding special education. Representative Timm Ormsby (D-Spokane), Chair of the House Appropriations Committee, took

the lead on debate against the Republican striking amendment. He started by saying he reluctantly was asking for a “no” vote on the striking amendment and said he took “no delight in saying we shouldn’t spend more on special education.” He said he was asking for a “no” vote for a few reasons. First, “we don’t budget in isolation; we budget for the entire state, for all programs and services.” (Um, never mind that pesky Paramount Duty thing.) He also tried to make the case that the Legislature needs to support these students outside of the classroom as well, implying that if we spend too much on special education, there will not be enough money to support them at home or in the real world. He also boldly admitted that “the underlying bill, nor the striking amendment, will resolve the intent to meet the Paramount Duty—none of them fully fund this need.” (Understanding there may well be a lawsuit about special education funding in the works, this was probably not a wise statement to make on the record.) Finally, he added “that’s why we need the performance audit, to determine how well districts are spending their money; when we get that report we will have the justification to move forward to do a better job of funding special education.”

Another Democratic member talked about the increases in special education the Legislature has made in recent years. He claimed the Legislature has tried to meet the need, but the funding gap keeps increasing. He noted the Legislature, in HB 1436, is “really focused on accountability and transparency and we’d like to know how school districts are accounting for the dollars provided for special education.” It actually is surprising it took so long for this argument to be brought out. We assumed the lack of trust in public schools is why there was a required Joint Legislative Audit & Review Committee (JLARC) and State Auditor (SAO) study in HB 1436. (He also jumped off-subject and insinuated that school districts are misappropriating pupil transportation dollars as well.)

In open debate, these two members straight-up admitted they were not willing to cover the full special education need because they don’t believe school districts are appropriately spending the funds provided. Many of us held onto this bold conspiracy theory—but now we know it’s real. (The striking amendment was defeated, by the way.)

Requiring a performance audit is not necessarily a problem. School administrators should be confident that they are wisely spending the funding they receive—and the audit should provide this evidence. The issue is that legislators used the performance audit as an excuse to delay providing the necessary resources to fulfill their constitutional, legal, and moral obligation to appropriately fund special education.

As a side note to this conversation, the governor vetoed the language in ESHB 1436 requiring a JLARC/SAO performance audit. He also vetoed the funding for the audit in the Auditor’s budget. He did NOT, however, veto the funding in the JLARC budget. Because JLARC (comprised of legislators) can perform audits without specific legislative direction, it is believed they will carry forward and add the audit to their workplan. To be determined.

**Pupil Transportation.** We have been urging the Legislature to overhaul its broken STARS pupil transportation funding formula for a number of years—and tagged it as a high priority in 2022 and again this year. In 2022, key legislators introduced competing bills to revamp pupil transportation formulas. Both bills moved, however, they got stuck in a dispute between the sponsors. Ultimately, both bills were scrapped and there was an agreement to provide funding in the Budget (\$13.0 million) for special passengers (special education, homeless, and foster care students)—and committed to us that this would be the ‘first step’ to fixing the formula in 2023.



This year, it was déjà vu all over again. Two competing bills were introduced to rework the pupil transportation formula so it would be more transparent, predictable, and adequately funded—and neither bill was adopted.

Both bills, would have updated the funding formula and held districts harmless in the transition between models. Both bills, however, continued to be whittled down until what remained was a new safety net program to support funding of special passengers. Like last year, neither bill was able to get over the top and the final result was (a broken commitment and) Budget funding of \$26.0 million (\$13.0 million per year) to support special passengers.

It should be noted that the House bill (HB 1248) would have required districts that contract for pupil transportation services to ensure contracted employees receive health care and pension benefits comparable to school employee benefits. A similar requirement was in and out of the Senate bill (SB 5174), with sponsors ultimately saying they are committed to the provision; however, this year was not the time to adopt it. We expect this to return again (for the fourth time)—whether legislators finally fulfill their commitment and scrap the current STARS model or not.

**Compensation Rebase.** Aside from the quest for special education funding, perhaps the most consequential issue for K–12 education this year was the first required post-*McCleary* compensation rebase. Consequential or not, the issue was roundly ignored by legislators.

In the 2021–23 Operating Budget, legislators required OSPI to establish a K–12 Basic Education Compensation Advisory Committee, charged with providing recommendations for the required rebase in 2023, specifically addressing minimum salaries, regionalization and experience factors, and inflationary factors to ensure salary allocations continue to align with staffing costs for the state’s program of basic education. The budget proviso also expanded the requirement to review the funding system. The recommendations were required to include the issues stated above, but the Advisory Committee was also required to develop recommendations that support “recruiting and retaining a multicultural and multilingual educator workforce.”

The Advisory Committee adopted a comprehensive set of recommendations. A modified and shortened list of recommendations was also included in Superintendent Reykdal’s 2023–25 Budget request. It was not anticipated the Legislature would accept all of the recommendations, given that the complete list was expected to cost \$12.1 billion annually (almost \$25.0 billion over the 2023–25 biennium). It would simply be unrealistic to believe legislators would almost double K–12 spending in one biennium; however, the laundry list (and the projected costs) indicates the size of underfunding of our education system.

WASA specifically focused on four specific issues: regionalization factors; experience factors; inflationary factors; and pathways/incentives for diverse staff.

- **Regionalization and Experience Factors**—We have argued since regionalization was first put in place in 2018–19 and experience factors were put in place in 2019–20 that the methodology and application is inappropriate, unworkable, and unfair. The idea was to reduce or eliminate inequities between districts; however, these factors have exacerbated inequities. We urged the Legislature to use a school districts’ labor market, rather than housing costs, to establish regionalization. And we urged the Legislature to apply experience factors in a more transparent and equitable way. We suggested establishing the process in HB 1419 (2021) would fix the experience factor difficulties. This year SB 5671 was introduced/heard but never moved.

Legislators rejected even the conversation about these issues. Rather than make wholesale changes to regionalization/experience factors, so they would work, legislators took the lazy way out. Their idea of “rebasings” was simply to use the current flawed methodology and update the inputs. (This is reminiscent of the old computer motto: “Garbage In; Garbage Out.”) To rebase, updated housing values from the Department of Revenue were plugged in the regionalization formula; and updated S-275 staffing information from OSPI (from 2021) was plugged into the experience factor formula.

In addition to the frustration about not adjusting the factor methodology, legislators also rejected their own statutory requirement that prohibited districts from losing revenue. The law in RCW 28A.450.412(4) states:

“No district may receive less state funding for the minimum state salary allocation as compared to its prior school year salary allocation as a result of adjustments that reflect updated regionalized salaries.”

If you review the updated regionalization factors, you will see a number of districts LOSE STATE FUNDING, solely due to regionalization updates. (The same is true for experience factor updates; however, there is a continuing debate about how experience factors fit into the rebase conversation, given the experience factor was adopted AFTER EHB 2242 (2017) was adopted—and the topic is noticeably absent from the rebase discussion. We believe this was an error/oversight by legislators, but the question has never been answered. This year, legislators just provided a rebase without specific direction.)

We argued that legislators were not following the law; however, they responded that with required salary allocation adjustments, all districts receive more funding than they lose in regionalization/experience factor. We believe this breaks with the letter AND the spirit of the law; however, we lost on this issue.

Even though we lost on this issue, we were able to persuade budget-writers to give districts that are set to lose regionalization and/or experience factors a “soft landing.” There is money in the budget (\$23.4 million) to allow regionalization and/or experience factors to phase-down over two years, rather than an losing the full enhancement in 2023–24.

It was not until the waning days of Session that we starting hearing from legislators that they finally understood the concerns; however, it was too late to do anything. These legislators have committed to work with us over the interim in the hope adjustments can be made in 2024. Most legislators will argue we should wait for the next required “rebase” in 2027; however, we will make the case that districts cannot wait that long.

- **Inflationary Factors**—Here is an issue where we won. Given the turbulence caused in the field by legislators adopting a 5.5 percent IPD in 2022 (when districts were expecting it to be 1.6 percent), we supported the Advisory Committee recommendation to align compensation dates to provide stability and predictability in the system. In the current scenario, the state adopts a budget that starts July 1 and runs through the second-year to June 30; school districts have budgets that run from September 1 to August 31; and IPD is calculated on a calendar year, from January 1 to December 31.

The Legislature adopted ESB 5650, which defines the Inflationary Factor: in 2023–24 as 3.7 percent; and beginning in 2024–25 as IPD for the prior calendar year. The current projection is the 2023 IPD will be 3.9 (which is adopted in the Budget); however, the “real” factor will not be determined until mid-January 2024, when the Economic & Revenue Forecast Council releases its Economic and Revenue Monthly Update.

- **Pathways for Diverse Staff.** This issue, surprisingly, did not get much play. One bill, however, which was directly related to the Advisory Committee recommendations was HB 1565. It was adopted by the full House, but failed in the Senate Ways & Means Committee at the opposite house fiscal committee cut-off.

HB 1565 is a comprehensive bill that was intended to support and strengthen the professional education workforce. The bill would have required: the development of an online platform for the recruitment and hiring of public school employees; established a teacher residency program; required a report to be made to the Legislature on the establishment of a teacher exchange program; modified the Beginning Educator Support Team (BEST) Program; established educator workforce program data collection, organization, and analysis requirements; and a report to be made to the Legislature on the improvement of the quality and effectiveness of educator preparation and workforce programs.

It was very disappointing the Legislature did not take this first, required post-*McCleary* rebase more seriously; however, it was not for a lack of effort on our part. I just want to take a moment to publicly thank our members who stepped up and represented us on the Advisory Committee, taking their time and talents to provide their best thinking on our behalf: Tom Seigel (WASA-Bethel School District); Michelle Scott (WASBO-Battle Ground School District); and Keri Hutchins (WSPA-Mead School District). I also want to thank our many members who provided comments to us and/or the Advisory Committee regarding the initial and/or final recommendations. Your input was important to the process.

**Update Staffing Allocations.** This is an easy one to review, as it was another issue legislators flatly rejected. When legislators DID respond to us about providing necessary enhancements to provide realistic staffing ratios in the Prototypical School Funding Model, the common answer was essentially: “We provided funding to enhance Physical, Social, and Emotional support staff last year—and funding will be phased over the next two years. Come back later.”

Legislation (HB 1741) was introduced to implement the remainder of Phase I of the Staffing Enrichment Workgroup (2019) recommendations: enhancing principal allocations; providing additional professional development; and adding improvement coaches to the Model. (The bill also included additional enhancements as requested by Superintendent Reykdal.) The bill was never heard or otherwise acted upon. It will be automatically reintroduced in 2024; however, there are two concerns. One is that legislators will likely continue to stall, wanting to wait until the current staffing ratio enhancement phase-in is complete. Two, the bill’s sponsor, Representative Rule (D-Blaine), is running for Whatcom County Executive this fall. If she wins her election, it is doubtful she would continue to serve as a Representative.

**Invest in Learning Recovery.** Once again, legislators provided funding (\$65.5 million) to support learning recovery, including one-on-one and small-group instruction, intensive learning supports, school engagement, and accelerated learning. Once again, this is one-time funding.

Additionally, the following bills would have addressed learning recovery:



- SB 5248/HB 1710, if adopted, would have provided for targeted high-quality tutoring and rigorous extended learning programs; however, again, only one-time funding would have been provided to support the bill. The Senate bill was adopted by the Senate Early Learning & K–12 Education Committee but died in the fiscal committee.
- SB 5511 was a comprehensive education funding bill. One of the many components would have supported grants for targeted high quality tutoring and rigorous extended learning programs. The bill was never heard or otherwise acted upon.
- SB 5505 would have addressed learning loss by extending the current 180-day school year by five days. The bill was heard in the Senate Early Learning & K–12 Education Committee but was never moved to executive action.

**Support Capital Facilities.** Simple majority for bonds legislation was introduced (HJR 4203/HB 1353), but never acted upon. A second constitutional amendment for a 55 percent bond approval was also introduced (HJR 4207/HB 1843), but also lay dormant throughout the Session.

No legislation was introduced (or even discussed) to update the antiquated school construction funding formulas. The 2023–25 Capital Budget did, however, provide for a minor increase in allocations for the Construction Cost Allowance. (See Capital Budget section later in this Report.)

Even though WASA’s two specific requests were not addressed, school construction was somewhat of a hot topic, especially regarding small school needs. HB 1044 and SB 5126 were heavily debated. Both got stuck in negotiations and died; however, small school modernization grants (supported by SB 5126) received a significant boost (\$100.0 million) in the Capital Budget. (See Capital Budget section later in this Report.)

It is clear that some of the discussion surrounding school construction is due to the *Wahkiakum v. State* school facilities lawsuit. We continue to await a response from the Supreme Court. Win or lose, we hope some of the momentum to support districts with little-to-no ability to pass bonds continues.

## Next Steps

As noted above, where we can point to success in 2023, much of the credit is due to school administrators who were very active during the Legislative Session. Those successes may not have materialized if school administrators sat on their hands, waiting for someone else to step up. We also had some disappointments and a few losses, but in many of those losses, we took positive steps towards future success.

The end of the Legislative Session should not be the end of school administrators’ engagement; it should mark the beginning of your advocacy for 2024; advocacy is a year-round effort. And we know this may fall outside your comfort zone, but remember advocacy does not have to be hard, intimidating, or time-consuming. 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.

Remember, a simple “thank you” will also go a long way to building a positive relationship with your legislators. You do not have to like everything your legislators have done, but show appreciation for what they DID do—and for their public service. Saying thank you, however, does not steal your opportunity to be honest with them and explain your needs or your concerns.

It is incumbent upon YOU to 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. Take time to meet them for coffee— or dial them up on Zoom, if necessary. Invite them to a meeting of your Board. Give legislators a tour of your schools.

Now, you cannot sit back and assume necessary changes will just happen in 2024. You must remain vigilant—and continue to ramp up your 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. YOU are WASA—and we can't do it without you.

## 2023–25 Operating Budget: ESSB 5187

In 2020, the Legislature adopted a Supplemental Operating Budget (revising the 2019–21 Operating Budget adopted the previous year). Shortly after the 2020 Session adjourned, COVID-19 was declared a pandemic and state revenue forecasts were significantly impacted. In June 2020, there was a projected revenue shortfall of \$8.8 billion over three years (the remainder of Fiscal Year 2021 through the 2021–23 biennium). Revenue projections dropped rapidly; however, the state’s economy bounced back almost as quickly as revenues had dropped. By September 2020, revenue rebounded and the projected revenue shortfall in June was essentially halved (\$4.3 billion shortfall). The next quarterly forecast in November 2020 showed further positive returns; the anticipated shortfall was reduced to about \$3.3 billion. By the time the March 2021 revenue forecast was released, projected revenues were back at the same level as anticipated in February 2020, pre-pandemic.

This prompted the Legislature, which had been preparing to scale back state spending, to reverse course and dramatically increase funding in the new two-year Budget. Using the March revenue forecast as a baseline (which included a continued projection of revenue increases) and incorporating literally billions of dollars in federal relief money, the Legislature adopted a 2021–23 Operating Budget that was \$5.5 billion above the previous Budget.

As preparations were being made for the 2022 Session—and a 2022 Supplemental Operating Budget—revenues continued to increase beyond projections. Given those increases, the state had upwards of \$10.0 billion in “surplus” revenues to spend when the 2022 Session convened. With another positive revenue forecast in February, the total jumped another \$1.5 billion in the current biennium and \$1.3 Billion in 2023–25.

Traditionally, during the “short” supplemental session, the focus is on policy and there are usually minor adjustments to the two-year Budgets (Operating, Capital, and Transportation) that were adopted in the long session. With the significant available revenues, however, there was a heavy focus on the Budget. Ultimately, the 2022 Supplemental Operating Budget was not a mere tweak to the underlying 2021–23 Operating Budget. There was a significant Maintenance Level reduction (\$1.1 billion) and an even more significant Policy Level increase (\$6.2 billion), for a total increase of \$5.1 billion, bringing the final 2021–23 Operating Budget spending to \$64.1 billion. The \$5.1 billion increase was the biggest Supplemental increase ever.

Which brings us to 2023. Prior to the 2023 Session, state revenues continued to be collected above projections. Unfortunately, concerns about the future were being raised. Even though state revenues continued to grow, the rate of growth was slowing and fears of a recession and an economic slowdown continued to cloud the forecast. And historic

inflation rates were having an impact. While revenues were projected to increase by 3.5 percent in 2023–25, if you adjust for inflation, revenues were estimated to decrease by 2.6 percent.

In terms of K–12 education, although appropriations in 2021–23 were increased by billions of dollars (almost \$4.0 billion, even with a net reduction in 2022), urgent concerns must continue to be addressed. This was the clear message from Superintendent Reykdal when he released his 2023–25 Budget request in September. Reykdal, who has been submitting “pragmatic” Budget requests since he became State Superintendent, submitted a substantial OPSI Budget request. His request amounted to just over \$5.9 billion—a 25.3 percent increase over funding in 2021–23. About half of this request (\$3.15 billion) would have been used to implement a series of Reykdal’s selected requests culled from the final recommendations approved by the K–12 Basic Education Compensation Advisory Committee. Two other major pieces were: almost \$1.0 billion to fully fund Special Education; and approximately \$1.0 billion to support enhancements of staffing ratios in the Prototypical School Funding Model to complete Phase I of the Staffing Enrichment Workgroup (2019) recommendations. (NOTE: After the session convened, caseload and maintenance level numbers were updated, resulting in a final \$803 million needed to close the gap in special education funding.)

It would have been unrealistic to believe OSPI’s full request would be adopted, given revenue circumstances and legislators’ maddening, but continuing, “education fatigue.” We applauded Supt. Reykdal for submitting his proposal, however. Reykdal’s Budget proposal followed the strategy and philosophy that WASA has applied in the last several years—which is to be bold and honest, advocating for what our students and school districts NEED—not what we think we might be able to achieve. We have argued that asking for less than what we NEED undermines our efforts. We are also in this for the long haul and we will continue to keep our priorities on legislators’ radar, build momentum, and lay the groundwork for future success.

Again, we were not so delusional to believe OSPI’s request would have been adopted by the Legislature; however, given our needs there was a belief that legislators would have seriously considered his requests. Unfortunately, we were climbing a steep hill when it came to getting our critical needs addressed. Well-before the Session convened, we received clear signals that the Legislature would be dealing with other priorities. Two of those signals were real gut punches.

First, was the 2023–25 Operating Budget request from Governor Inslee. His request, released in December, included a heavy focus on homelessness and housing; climate change; behavioral health; public safety; salmon recovery;

reproductive health care; and gun control. That’s fine, this is his prerogative as governor; however, there was a distinct lack of discussion on the state’s only constitutional paramount duty. In Olympia, the Operating Budget is often referred to as the biggest policy document adopted each session. And it is often said issues funded in the Operating Budget are a reflection of the Legislature’s priorities. Understanding that, it is not a stretch to say that K–12 education is not a priority of the governor.

Governor Inslee’s two-year Budget request, if adopted, would have increased spending by \$6.26 billion above the current 2021–23 Budget. Of that total increase, \$4.85 billion would have been provided for “Policy Level” items—that is, discretionary spending on new and/or expanded programs. For K–12 education, the governor requested \$276.9 million in Policy Level increases (less than six percent of his overall Policy request). While Superintendent Reykdal presented a bold education Budget package in September, pulling out all the stops and requesting an increase of approximately \$5.9 billion, Inslee’s Budget request largely rejected Reykdal’s requests. As an example, Reykdal requested \$971.9 million (revised to \$803 million) to finally fully fund special education by: eliminating the current, arbitrary 13.5 percent enrollment funding cap; increasing the special education tiered multiplier to fully cover the cost of special education services; and maintaining funding to continue support of the Inclusionary Practices Project (IPP). Inslee, in turn, requested \$121.6 million—including: \$74.7 million to increase (not eliminate) the cap to 15.0 percent; \$10.0 million to support IPP; and absolutely nothing to increase the current special education multiplier for K–12 students.

In case we were missing something, we closely followed Governor Inslee’s annual State of the State speech, presented the first week of the session, wherein he had an opportunity to lay out his priorities for the session—and in large part, reiterated his Budget request.

Like his Budget request, Inslee’s speech provided very little focus on K–12 education. In the governor’s thirteen-page speech, K–12 education occupied only a few short paragraphs. Rather than attempt to explain his comments, here are the 156 words (out of 3,234) he used to talk about his education priorities:

And while we do these things, we’re also continuing our efforts in education.

Meeting the social and emotional needs of our students has been an important effort, and I commend this Legislature for making historic investments last year to increase funding for schools so they can hire more nurses, counselors, psychologists, and social workers.

My Budget continues these additional investments.

I’m also hopeful we can increase funding for special education. I’ve proposed more than \$120 million to better support school districts as they meet the needs of every student they serve, no matter how complex the needs.

All told, my Budget proposal increases K–12 spending by \$3 billion.

We know that circumstances have been difficult for students, educators, paraeducators, school bus drivers and others who work in our schools. Please join me in a moment of recognition for all those people who have been so instrumental in helping students navigate the challenges of COVID-19 and beyond.

If you were not paying attention, his message appeared to be very supportive of K–12 education. When you dive into the details and the context, however, you understand his message was very shallow. For example:

- He notes one of our major priorities: enhancing the unrealistic staffing allocations in the Prototypical School Funding Model. Last year (after more than ten years of inaction), the Legislature provided for a three-year phase-in of increased staffing allocations for nurses, counselors, psychologists, and social workers. Inslee stated, “My Budget continues these additional investments.” That is positive; however, those “additional investments” are embedded in statute, are a part of the Maintenance Level Budget, and are REQUIRED to be made. He should not try to take credit for something that has already been done. We would have applauded the governor if he maintained the already adopted, required investments, and also requested funding to further enhance staffing allocations. He didn’t.
- Inslee stated “I’m also hopeful we can increase funding for special education.” Great! Unfortunately, the governor’s “bold actions for building a stronger Washington” entailed providing \$121.6 million for special education—out of an \$800+ million need. A disappointing missed opportunity.
- The governor boasted: “All told, my Budget proposal increases K–12 spending by \$3.0 billion.” A true statement. But where’s the context? What he failed to explain is that his requested \$3.0 billion increase included almost \$2.8 billion in REQUIRED Maintenance Level funding. Like the staffing allocation discussed above, why does the governor feel compelled to seek credit for providing MANDATORY spending? With \$2.8 billion in Maintenance Level funding, where does that leave his discretionary Policy Level spending? As discussed above, he requested less than \$280 million to support new or enhanced K–12 program funding. It is hard to believe Governor Inslee swore an oath to uphold the



state’s constitution—which clearly defines K–12 education as the state’s only constitutional paramount duty.

The second gut punch to our hope of K–12 being a priority was the release of the annual Crosscut/Elway Poll. Each year, Elway Research conducts a poll of registered voters prior to the start of the legislative session. One of the standard, open-ended benchmark questions asked in each poll for almost 30 years is: “In your personal opinion, what are the most important issues the Legislature should focus on during this session?” In December, thirty-four percent responded “Economy.” Other responses were: “Public Safety,” “Homelessness,” “Taxes,” “Government,” “Environment,” and “Health Care.” In last place, only five percent of respondents mentioned “Education” (which tied with “Budget/Spending”).

The Legislature adopted a new 2023–25 Operating Budget (coupled with the 2023 Supplemental Operating Budget) in the waning days of the Session. ESSB 5187 appropriates \$69.8 billion—an increase of \$5.7 billion (8.8 percent) beyond the final 2021–23 Operating Budget (after being adjusted by the 2022 Supplemental Operating Budget). There was a lot of conversation that this Budget would be conservative in light of the continuing questions about our economy and signals of a coming slowdown. It is questionable how “safe” this Budget is; however, it does leave a projected \$1.4 billion Ending Fund Balance in 2023–25 and a total of \$3.6 billion in reserves.

A few comments on the details are in order:

- This Budget utilizes three-fourths (\$1.3 billion) of the Washington Rescue Plan Transition Account, funding that was aside two years ago with the uncertainty of what the COVID-19 pandemic would do to our economy. With that storm essentially in the rearview mirror, it probably would be silly to assume legislators would let over \$2.0 billion sit in the bank (especially given the Budget Stabilization Account still holds \$1.3 billion in reserve).
- Looking for revenue under all the couch cushions led budget-writers to make almost \$200 million in transfers from dedicated accounts to the General Fund. Whether these budget maneuvers are appropriate or not, they are not surprising or necessarily concerning.
- One troubling action, an action in which we will have to be watchful, is the assumption of reversions. In simple terms, a reversion happens when the state appropriates funds and they are not used; the funds “revert” back to the state. The adopted Budget assumes \$253.1 million in Fiscal Year 2023 reversions and another \$493.1 million in anticipated reversions in 2023–25. Reversions are a standard part of the Operating Budget; however, there are two concerns (at least): One is that the level of anticipated reversions is significantly higher than normally

assumed. How valid the assumptions turn out to be is anyone’s guess, but if it does not come to pass, it will punch a hole in the Budget. The second concern is pointed directly at K–12. K–3 class size funding is reverted if school districts do not reach the mandated target. This is not a new action; however, given failing bond issues (which preclude building or modernizing facilities), continuing staffing shortages, and a troubling Budget Outlook has made it difficult for some districts to comply with the directive and meet the necessary K–3 class size targets. This new Budget assumes a \$65.0 million “savings” from more class size reversions than normal. Providing needed funds with one hand and taking those funds back with the other does not help financially struggling districts.

- A positive action worth noting is the adjustment to pension contribution rates. ESSB 5294, as adopted, reduces contribution rates for the Unfunded Actuarial Accrued Liability (UAAL) in the Public Employees’ Retirement System (PERS) Plan 1 and the Teachers’ Retirement System (TRS) Plan 1. This is helpful for local governments, including school districts—AND it provides an \$804 million savings for the state in 2023–25 (and projected to grow to \$1.9 billion over the next five years). ESSB 5294 also reduces (from \$800 million to \$250 million) a scheduled early payment into the Teacher Retirement System Plan 1. This saves another \$550 million. (Unfortunately, several legislators used this pension savings as an excuse to undercut K–12 funding, arguing that school districts would have significant savings, and, therefore, would not need additional special education or pupil transportation funding. The savings is appreciated; however, this savings pales in comparison to our needs—and the Legislature’s underfunded obligations.)

Specifically for K–12 education, the final 2023–25 Operating Budget increases funding by \$2.9 billion. This is a significant increase and since the original legislative Budget proposals were released, budget-writers regularly and consistently touted the fact that funding for K–12 education is “the largest investment since the *McCleary* court decision.” The first press release that came out just minutes after the final Budget documents were released in the last days of Session included this same line. Certainly, this is true, but as is usually the case, there is no context provided.

While the adopted funding for K–12 is, in fact, “the largest investment since the *McCleary* court decision,” there is no corresponding conversation about the significant increase in costs since the *McCleary* decision. School districts are definitely not immune to the supply chain issues and historically high inflation over the last few years—and teacher salaries are continuing to climb. And now that a 2023–25 Operating Budget has been adopted with an increase of



\$2.9 billion, legislators will be patting themselves on the back. But, again, where’s the context?

That \$2.9 billion increase is comprised of \$2.6 billion in REQUIRED Maintenance Level costs. Budget-writers only provided \$346 million in discretionary Policy Level decisions. And a significant amount of the overall increase comes from one-time reappropriated federal pandemic-related funding. (Want to undertake an enlightening exercise? Review the Budget details below and add up how much of the funding provided is noted as “one-time.”).

And a final piece of context: In the last session, the K–12 percentage of the overall Operating Budget dropped to 43 percent—from a high of 52 percent just a few years ago in 2019. Where does this new Budget put K–12? Just shy of 44 percent. (When all of the one-time funding evaporates from the Budget, where will K–12 sit?)

Paramount Duty? Think about that for a minute.

Complete details of the K–12 section of the Budget (and additional provisions that impact K–12) as adopted by the 2023 Legislature and signed by Governor Inslee follow.

For additional Budget information, please use the following links:

- 2023–25 Operating Budget (and 2023 Supplemental Operating Budget): [ESSB 5187](#)
- Legislative Evaluation & Accountability Program ([LEAP](#)) Committee:
  - Budget [Highlights](#)
  - Budget Agency Detail: [Senate/House](#)
  - [LEAP Documents](#):
    - [LEAP Document 3](#) (Regionalization/ Experience Factor)
    - [LEAP Document 4](#) (Local Effort Assistance)
- [Washington State Fiscal Information](#):
  - [Interactive Budget Reports](#)
- OSPI Budget Updates: [School Apportionment](#):
  - Budget Driver Summary: [John Jenft Rate Sheet](#)
  - [Multi-Year Budget Comparison Tool](#) (formerly “Pivot Tables”)
  - [Transition to Kindergarten \(TTK\) Budget Estimator](#), 2023–24
  - [TTK Rulemaking, Bulletin](#) 036-23
- [Economic & Revenue Forecast Council](#):
  - [Forecasts](#)
  - [Four-year Outlook](#)

## BUDGET DETAILS: K–12 ENHANCEMENTS

### \$280.9 Special Education—\$371.0 million

Special education funding was the major priority of WASA—and most of the education community—in the 2023 Session and is the centerpiece of education funding in the 2023–25 Operating Budget. The increased funding will implement ESHB 1436 and support: an increase in the enrollment cap used to calculate the excess cost allocation for state special education programs, from the current 13.5 percent to 15.0 percent, beginning in the 2023–24 school year (\$106.9 million); increases in the excess cost multiplier for three-five-year-old students not yet enrolled in kindergarten and students in grades K–12 (thru age 21) eligible for and receiving special education services (\$253.6 million); lowering the safety net threshold from the current 2.3 times the average per pupil expenditure (APPE) to 2.0 times APPE for districts with less than 1,000 students and to 2.2 times APPE for districts with more than 1,000 students (\$5.5 million); and the continuation of professional development focused on inclusionary practices (that is, the Inclusionary Practices Project, or IPP) (\$5.0 million).

Also pursuant to ESHB 1436, one-time funding is provided to the Joint Legislative Audit & Review Committee (\$1.5 million) and to the Office of the State Auditor (\$1.5 million)—**VETO**—to conduct a performance audit of the state’s system of providing special education services to students with disabilities.

NOTE: Governor Inslee vetoed language in ESHB 1436 which required the Joint Legislative Audit & Review Committee (JLARC) and the Office of the State Auditor to conduct a special education performance audit. Prior to signing the Budget, Gov. Inslee also vetoed the funding for the Office of the State Auditor to conduct a special education performance audit. In his veto message, he noted in vetoing the required performance audit in ESHB 1436, “no audit will be conducted. Therefore, no funding is needed.” While the section-veto of ESHB 1436 eliminated a required JLARC/Auditor performance audit, the governor’s Budget veto only deleted the State Auditor’s funding for the audit. Funding for the audit remains in JLARC’s 2023–25 appropriation, so it is unclear if they will conduct an audit or not. It should be noted that JLARC, as a separate Legislative Agency, conducts studies/audits as directed by the Legislature; however, the Committee can also conduct studies/audits without legislative direction. Given this, it seems likely JLARC will add a special education performance audit to its workplan.

In addition to the funding above to implement ESHB 1436, another \$17.2 million is provided to support compensation adjustments and another \$27.9 million accounts for increases in Fiscal Year 2023.

### Inflationary Factor—\$261.4 million

\$261.4 million is provided to support educator salary increases. Subject to ESB 5650, the Inflationary Factor, IPD, is 3.7 percent in the 2023–24 school year, and expected to be 3.9 percent in 2024–25. Under ESB 5650, beginning with the 2024–25 school year, the Inflationary Factor will be calculated as the Implicit Price Deflator (IPD) for the prior calendar year. Therefore, the second-year increase of 3.9 percent is a projection based off of Economic & Revenue Forecast Council estimates. The Council will release the final 2023 IPD in mid-January, 2024.

### Transition to Kindergarten—\$114.0 million

To implement 2SHB 1550, establishing a new Transition to Kindergarten (TTK) program, current Transitional Kindergarten (TK) funding of \$114.0 million is transferred. The new TTK program is provided with a total of \$114.0 million, including \$72.0 million from the state’s General Fund and \$41.8 million in one-time federal pandemic-related CRRSA/ GEER funding. This funding is expected to be sufficient to support TTK enrollment based on the February 2023 projected caseloads for participating school districts, district-authorized charter schools, and state-tribal education compact schools.

### Learning Recovery—\$65.6 million

\$65.6 million in one-time federal Elementary and Secondary School Emergency Relief (ESSER III) funding is reappropriated to OSPI to administer grants to school districts for the purposes of learning recovery due to impacts of the COVID-19 pandemic.

Allowable uses of these funds are limited to:

- One-time contracts for classified, certificated, or administrative staff who will provide tiered academic and social-emotional supports to students most impacted by the disruption of in-person learning, including locating and reengaging students who have disengaged from school, one-on-one and small-group instruction, and other intensive learning supports;
- Professional learning for educators focused on learning recovery and acceleration, including assessing student learning and social-emotional needs, transitioning to standards-based curricula and grading, adopting competency or mastery-based options specifically for credit retrieval purposes, and family and student engagement strategies;
- Procuring assessment or data systems that provide actionable just-in-time data regarding student progress throughout the school year; and
- Direct supports to students to improve school engagement and accelerate learning.

**CEP Expansion—\$59.0 million**

Funding is provided: to reimburse additional school districts required to participate in the federal Community Eligibility Provision (CEP), under SHB 1878, adopted in 2022; to support Breakfast After the Bell programs authorized by the Legislature that have adopted the Community Eligibility Provision; and for staff at OSPI to implement SHB 1878 (2022). The funding will support schools not eligible for the full federal reimbursement rate. \$30.5 million of the appropriation is funded from the state's General Fund, along with \$28.5 million in one-time federal pandemic-related CRRSA/GEER funding.

**Special Passengers—\$26.0 million**

The overhaul of the current STARS pupil transportation funding formula that we requested and would have been accomplished by SB 5174 or HB 1248 was unsuccessful. Both bills morphed into vehicles to support funding for special passengers; however, neither bill was able to cross the finish line. Instead, like last year, legislators provided funding to support the transportation of special passengers, defined as: special education students that require transportation as a related service of their Individualized Education Program; homeless students requiring transportation under the federal McKinney-Vento Act; and foster students receiving transportation as required under the, Every Student Succeeds Act.

The funding will support a Transportation Safety Net, allowing OSPI to reimburse school districts with a “convincingly demonstrated need for additional transportation funding for special passengers.” Transportation Safety Net awards may only be provided when a school district's allowable transportation expenditures attributable to serving special passengers exceeds the amount allocated through the Student Transportation Allocation Reporting System for special passengers and any excess transportation costs reimbursed by federal, state, tribal, or local child welfare agencies. A Transportation Safety Net award may not exceed a school district's excess expenditures directly attributable to serving special passengers in the pupil transportation program.

OSPI is required to request from school districts an application for Transportation Safety Net funding. To be eligible for additional Transportation Safety Net funding, the school district must report the amount of the excess costs and the specific activities or services provided to special passengers that created the excess costs. OSPI is required to submit to the Office of Financial Management and the Legislature the total demonstrated need and awards by school district,

**Free School Meals—\$25.9 million**

Funding is provided to reimburse schools serving any grade from kindergarten to grade four required to offer free meals under E2SHB 1238 for meals not reimbursed at the free federal meal rate. \$18.5 million of the appropriation is

funded from the state's General Fund, along with \$7.4 million in one-time federal pandemic-related CRRSA/GEER funding.

**Regionalization/Experience Factor—\$23.4 million**

As required by law, the 2023–25 Operating Budget provides for a regionalization factor and experience factor “rebase,” beginning in the 2023–24 school year. Rather than making any changes in methodology or calculation of regionalization factors or experience factors, the Legislature's “rebase” simply entailed using updated housing data from the Department of Revenue (regionalization) and updated S-275 staffing information from OSPI (experience factor).

For school districts that are set to have regionalization factors reduced and/or lose the experience factor, the final 2023–25 Operating Budget provides funding to “phase down” those reductions of over two years. See [LEAP Document 3](#) (dated April 20, 2023 at 06:09 hours) for updated regionalization factors and experience factors.

**ARPA IDEA—\$13.5 million**

One-time funds are reappropriated from federal funding allocations for students with disabilities as authorized in Section 2014 of the American Rescue Plan Act (ARPA) of 2021.

**COVID-19 Learning Loss—\$10.5 million**

One-time federal Elementary and Secondary School Emergency Relief (ESSER III) funding is reappropriated to OSPI to support: after-school programs (\$10.3 million); and summer programs (\$173,000).

**Dual Credit Enrollment—\$9.7 million**

Funding is provided to increase the Running Start enrollment limit from 1.2 FTE to 1.4 FTE, as required under 2SHB 1316.

In calculating the combined 1.4 FTE, OSPI:

- Must adopt rules to fund the participating student's enrollment in Running Start courses provided by the institution of higher education during the summer academic term; and
- May average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and the institution of higher education.

Additionally, OSPI must, in consultation with the State Board for Community and Technical Colleges, the participating institutions of higher education, the Student Achievement Council, and the Education Data Center, annually track and report to the Legislature on the combined FTE experience of students participating in the Running Start program, including course load analyses at both the high school and community and technical college system.

**Non-Public Schools Reappropriation—\$9.3 million**

One-time federal Coronavirus Response and Relief Supplemental Appropriations (CRRSA) funding is reappropriated for allocations from the American Rescue Plan Act of 2021 (ARPA) to provide emergency assistance to non-public schools. Additionally, \$41.8 million in federal funding in the 2023 Supplemental Operating Budget is reverted for allocations from the American Rescue Plan Act to provide emergency assistance to non-public schools.

**Children Experiencing Homelessness—\$8.4 million**

One-time federal Elementary and Secondary School Emergency Relief (ESSER III) funding is reappropriated for the purpose of identifying children and youth experiencing homelessness and for providing them with wraparound services due to the challenges of COVID-19 or with assistance to enable them to attend school and participate fully in school activities.

**Small District Support—\$8.1 million**

Funding is provided to support small districts, charter schools, and state-tribal education compact schools that have less than 800 enrolled students, are located in urban or suburban areas, and budgeted for less than \$20,000 per pupil in general fund expenditures in the 2022–23 school year. OSPI is required to allocate additional funds to these eligible districts. To determine the additional allocation, OSPI must multiply the school district's or school's budgeted enrollment in the 2022–23 school year by the lesser of 1) \$1,550 or 2) \$20,000 minus the school district's or school's budgeted general fund expenditures per pupil in the 2022–23 school year.

**ESSER Set Aside - CBO—\$7.8 million**

One-time federal Elementary and Secondary School Emergency Relief (ESSER III) funding is reappropriated to OSPI to administer a grant program for Community-Based Organizations to collaborate with school districts to support learning recovery and acceleration to address impacts from the COVID-19 pandemic.

**Mastery-Based Learning—\$6.9 million**

A series of funding, totaling \$6.9 million, is provided to support Mastery-Based Learning:

- One-time funding is provided to continue the Mastery-Based Learning demonstration projects (\$2.9 million) originally funded in the 2021–23 Operating Budget. Funding includes grants to schools, contracts with professional learning providers, travel costs, and staffing;
- Funding is provided to expand the Mastery-Based Learning demonstration projects (\$3.1 million) originally funded in the 2021–23 Operating Budget, which provide professional learning to schools. Funding includes grants to schools, contracts with professional learning providers, event and travel costs, and staffing;

- Funding is provided for Mastery-Based Learning evaluation research, including a contract with an external evaluator (\$669,000); and
- Funding is provided for a Mastery-Based Learning resource suite, including development, curation, and maintenance of resources, along with support functions provided by State Board of Education staff (\$199,000).

**ESSER Set Aside - Dual Language—\$6.2 million**

One-time federal ESSER III funding is reappropriated to OSPI to support dual language grants to address impacts from the COVID-19 pandemic. The funding will be used for grants to districts to expand the number of dual language classrooms in early grades and professional development to accelerate literacy gains in early grades, especially for English learners.

**Language Access in Schools—\$6.0 million**

Funding is provided for training, technical assistance, and district grants to support the implementation of language access programs in school districts, as required by E2SHB 1153 (2022).

**Behavioral and Mental Health Services—\$5.6 million**

Funding is provided to ESDs to expand and maintain student behavioral health and mental health services.

**Behavioral Health Regional Services—\$5.0 million**

Additional one-time funding is provided to ESDs to continue the behavioral health regional services grants funded previously with federal ESSER funds to support school districts with the least access to behavioral health services.

**Behavioral Health Professional Development—\$5.0 million**

Funding is provided for statewide professional development and technical assistance to school districts and to provide a limited number of grants for demonstration projects. The demonstration projects must build school- and district-level systems that eliminate student isolation, track, and reduce restraint use, and build school-wide systems to support students in distress and prevent crisis escalation cycles that may result in restraint or isolation. The schoolwide systems must include trauma-informed positive behavior and intervention supports, de-escalation, and problem-solving skills.

Of the amounts provided:

- \$2.0 million of the appropriation is for grants for district demonstration sites;
- \$2.6 million of the appropriation is for professional development and training; and
- \$332,000 of the appropriation is for staff and administration support for the demonstration sites and the professional development and training.



OSPI is required to: create a technical assistance manual to support the elimination of isolation and reduction of restraint and room clears based on the results of the demonstration projects; and provide a report to the Legislature by September 1, 2024. The report must include:

- A status update on demonstration projects that occurred during the 2023–24 school year, the technical assistance manual, and professional development offered statewide;
- Key implementation challenges and findings; and
- Recommendations for statewide policy changes or funding.

In developing the manual, OSPI must consult with, at minimum:

- Representatives from state associations representing both certificated and classified staff;
- An association representing principals;
- An association representing school administrators;
- WSSDA;
- An association representing parents;
- An individual with lived experience of restraint and isolation; and
- A representative of the protection and advocacy agency of Washington.

OSPI must prioritize the provision of professional development and selection of the demonstration sites to local education agencies, educational programs, and staff who provide educational services to students in prekindergarten through grade five and who have high incidents of isolation, restraint, or injury related to use of restraint or isolation. Grant recipients must commit to isolation phaseout and must report on restraint reduction and progress to OSPI by June 30, 2025.

#### **Learning Device Grants—\$5.0 million**

The 2021–23 Operating Budget and the 2022 Supplemental Operating Budget provided funds to allow ESDs to provide technology consultation, procurement, and training as required by E2SHB 1365 (2021). The 2023–25 Operating Budget provides additional funding for learning device grants.

#### **Federal Funding Adjustment—\$4.9 million**

A one-time adjustment increases federal funding authority to access available federal funds for migrant education program grants.

#### **Nurse Supply—\$4.2 million**

The final 2023–25 Operating Budget provides a total of \$6.7 million to implement E2SSB 5582, which is intended to reduce barriers and expand educational opportunities to increase the supply of nurses in Washington. Funding

is provided to multiple agencies for various purposes as outlined in the bill: the Department of Labor & Industries is provided \$275,000; the Department of Health is provided \$1.2 million; the Community & Technical College System is provided \$882,000; and the Workforce Training & Education Coordinating Board is provided \$256,000. The largest appropriation is provided to OSPI. \$4.2 million is provided to implement a Career and Technical Education grant program in health sciences, as required by the bill.

#### **Regional Apprenticeship—\$4.1 million**

Funding is provided to implement 2SHB 1013, which establishes regional apprenticeship preparation pilot programs managed by OSPI. The funding will support the creation of five regional apprenticeship programs across the state. \$136,000 of the appropriation is provided to OSPI to assist in the continuation of the Work-Integrated Learning Advisory Committee.

\$2.0 million of the overall appropriations is provided specifically for the Marysville School District to collaborate with the Arlington School District, Everett Community College, other local school districts, local labor unions, local Washington State Apprenticeship and Training Council registered apprenticeship programs, and local industry groups to continue the Regional Apprenticeship Pathways Program.

Additional funding is provided to the Department of Labor & Industries (\$507,000) for duties outlined in 2SHB 1013.

#### **ESSER Set Aside - OSPI Administration—\$3.5 million**

One-time federal funding is reappropriated to OSPI from Elementary and Secondary School Emergency Relief (ESSER) III state amounts to update the apportionment and financial reporting systems to administer grant programs funded with COVID relief funds.

#### **Dual Language Grants—\$3.3 million**

Additional ongoing funding is provided for dual language and tribal language grants. Grant funding may be used for new and existing dual language programs, heritage language programs for immigrant and refugee students, and indigenous language programs for native students. \$1.0 million of the total appropriation must be used for tribal language grants.

Proviso language requires each grant recipient to convene an advisory board to guide the development and continuous improvement of its dual language program, including but not limited to:

- Determining which schools and languages will be prioritized;
- Conducting outreach to the community; and
- Addressing enrollment considerations and the hiring of staff.

At least half the members of the advisory board must be parents of English learner students or current or former



English learner students. The other members of the board must represent teachers, students, school leaders, governing board members, youth, and community-based organizations that support English learners.

#### **IT Academy—\$3.0 million**

Funding is provided to continue the Microsoft Information Technology (IT) Academy program in Fiscal Year 2024. The public-private partnership will provide educational software, as well as information technology certification and software training opportunities for students and staff in public schools for the 2023–24 school year only. OSPI is required to evaluate other options that may be available in the state for a future public-private partnership to deliver similar services to students and staff of public schools at no cost to the state.

#### **Homeless Student Stability—\$2.6 million**

Additional one-time funding is provided to support the Homeless Student Stability Program. An additional \$2.0 million (ongoing) is provided to the Department of Commerce to support the Homeless Student Stability Program.

#### **Open Doors Summer Pilots—\$2.5 million**

Funding is provided to OSPI to conduct summer Open Doors pilots with up to 12 dropout reengagement programs to support summer programming. To select pilot participants, OSPI is required to prioritize schools and programs that work with postresident youth. (A postresident youth is defined a person who is under the age of 21 and a former resident of an institutional education facility. A postresident youth may be a public school student or a person who is eligible to be a public school student but who is not enrolled in a school or otherwise receiving basic education services.) Funding provided must be used to support programming during the summer months and are in addition to funding generated by enrollment under state funding formulas.

#### **ESSER Set Aside - CTE/CCL—\$2.4 million**

One-time federal funding is provided to OSPI from ESSER III state amounts to support Career and Technical Education and Career Connected Learning in response to the COVID-19 pandemic.

#### **Treehouse Graduation Success—\$2.2 million**

Funding is provided to expand the Treehouse Graduation Success Program to up to 50 percent of middle school students experiencing foster care statewide by June 2025.

#### **BEST Program—\$2.0 million**

Funding is provided to expand the Beginning Educator Support Team (BEST) program to increase the number of beginning teachers who receive mentoring. The program is required to prioritize first year educators in the mentoring program. School districts and/or regional consortia may apply for grant funding. The program provided by a district and/or regional consortia must include:

- A paid orientation;

- Assignment of a qualified mentor;
- Development of a professional growth plan for each beginning educator aligned with professional certification;
- Release time for mentors and new educators to work together; and
- Educator observation time with accomplished peers.

Funding may be used to provide statewide professional development opportunities for mentors and beginning educators. The expanded funding this biennium (\$2.0 million) is provided specifically to support first year educators in the mentoring program.

#### **Behavioral Health Program Pilot—\$2.0 million**

One-time funding is provided to OSPI to contract with a community-based youth development nonprofit organization for a pilot program to provide behavioral health support for youth and trauma-informed, culturally responsive staff training.

#### **Math Nation—\$2.0 million**

Funding is provided for OSPI to contract with a nongovernmental entity whose goals are to reduce disparities in student performance and improve algebraic achievement to create a statewide interactive math tutoring tool for middle and high school students that is accessible on a 24-hour basis to students, teachers, and parents across the state.

#### **Hands-on Science—\$2.0 million**

Funding is provided for a gravitational wave observatory located in southeastern Washington that is supported through the National Science Foundation to purchase hands-on, interactive exhibits to expand the number of developmentally appropriate activities available for K–12 students attending the observatory.

#### **Native American Names—\$2.0 million**

Legislation was adopted in 2021 (SHB 1356) prohibiting public schools from using Native American names, symbols, or images as school mascots, logos, or team names, except under specific circumstances. OSPI was provided funding in the 2021–23 Operating Budget for grants to school districts to support schools that incur costs resulting from complying with provisions of the new law; however, available grant funding did not meet the need, so OSPI requested—and received—additional funding in the 2022 Supplemental Operating Budget. The 2023–25 Operating Budget provides another round of funding (\$2.0 million) to support additional grants.

New proviso language clarifies that, in awarding grants, OSPI: must prioritize maximizing the number of schools that receive grant awards and address the most immediate school needs in order to comply with SHB 1356 (2021); and must prioritize applications that are narrowly tailored to address specific compliance issues. School districts receiving

funding to comply with the law's requirements must use the methods that are the least costly and that leave intact existing facilities, including interiors and flooring, to the greatest extent possible. Additionally, grants awarded may not be used for general maintenance or improvements of school facilities.

#### **Institutional Education Oversight—\$1.9 million**

Funding is provided for staff to support state-level institutional education collaboration, oversight, and data collection to implement E2SHB 1295 (2021). These positions will work collaboratively with the Department of Children, Youth, and Families.

#### **IDEA Preschool Services—\$1.8 million**

One-time federal funding from ARPA is reappropriated for students qualifying for special education preschool services under Section 619 of Part B of the Individuals with Disabilities Education Act (IDEA).

#### **Holocaust and Genocide Education—\$1.5 million**

One-time funding is provided for OSPI to contract with a nonprofit organization that supports Washington teachers in implementing lessons of the Holocaust for the expansion of comprehensive Holocaust and genocide education.

#### **Science on Wheels—\$1.5 million**

Funding is provided for a grant to the Pacific Science Center to increase hands-on learning opportunities for Title I K–5 students statewide by increasing access to Science on Wheels and virtual field trips.

#### **Office of Native Education—\$1.4 million**

Funding is provided to the Office of Native Education to increase services to tribes, including but not limited to, 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. The professional development must be done in collaboration with school district administrators and school directors.

Funding is sufficient for the Office of Native Education, WSSDA's Government-to-Government Task Force, and the Association of ESDs to collaborate with the Tribal Leaders Congress on Education to develop a tribal consultation training and schedule. \$1.1 million of the total appropriation is provided specifically for the Office of Native Education to convene a work group to develop the supports necessary to serve American Indian and Alaska Native students identified as needing additional literacy supports. The work group must conduct tribal consultations, develop best practices, engage in professional learning, and develop curricula and resources to be provided to school districts and state-tribal education compact schools to serve American Indian and Alaska Native students with appropriate, culturally affirming literacy supports.

#### **Social Workers in Schools—\$1.3 million**

Funding is provided to ESDs to coordinate with local mental health agencies and local school districts to arrange for in-school placements of social worker associates licensed under RCW 18.225.145 and Masters in Social Work candidates enrolled in an accredited university program who commit to working as school social workers, and to coordinate clinical supervision for approved supervisors that meet the requirements as defined in rule by the Department of Health to provide the necessary supervision to the social worker associates and Masters in Social Work candidates.

#### **Teacher Residency Program—\$1.0 million**

Funding is provided for the Professional Educator Standards Board, in coordination with OSPI, to develop a Teacher Residency Program through Western Washington University focused on special education instruction beginning in the 2024–25 school year.

Additional funding is provided to Central Washington University (\$967,000) for “Grow Your Own” Teacher Residency Programs in Yakima, Wenatchee, and Moses Lake. The programs will lead to teacher certification with an elementary education endorsement paired with bilingual education, English language learners, or special education.

Funding is also provided directly to Western Washington University (\$1.3 million) to establish and administer a Teacher Residency Program focused on special education instruction beginning in the 2024–25 school year (as described above). Funding provided is sufficient to support one cohort of 17 residents per school year, and must be prioritized to communities that are anticipated to be most positively impacted by teacher residents who fill teacher vacancies upon completing the Teacher Residency Program and who remain in the communities in which they are mentored. The Teacher Residency Program must meet the following requirements:

- Residents receive compensation equivalent to first year paraeducators;
- Each resident is assigned a preservice mentor;
- Preservice mentors receive a stipend of \$2,500 per year;
- Residents receive at least 900 hours of preservice clinical practice over the course of the school year;
- At least half of the residency hours specified (900 hours) are in a coteaching setting with the resident's preservice mentor and the other half of the residency hours are in a coteaching setting with another teacher;
- Residents may not be assigned the lead or primary responsibility for student learning;
- Coursework taught during the residency is codesigned by the teacher preparation program and the school district, state-tribal education compact school, or consortium, tightly integrated with

residents' preservice clinical practice, and focused on developing culturally responsive teachers; and

- The program must prepare residents to meet or exceed the knowledge, skills, performance, and competency standards described in RCW 28A.410.270(1).

#### **Rural Mental Health Access—\$1.0 million**

Funding is provided for ESDs to provide students attending school in rural areas with access to a mental health professional using telemedicine. Funding must be prioritized to districts where mental health services are inadequate or nonexistent due to geographic constraints. Funding may be used for schools or school districts for technology upgrades to provide secure access for students, for contracted services, or to pay applicable copays or fees for telemedicine visits if not covered by a student's public or private insurance.

#### **Salmon in the Schools—\$1.0 million**

One-time funding is provided for OSPI to contract with an organization that works directly with educators to secure salmon eggs, offer learning opportunities as the fry develop, and assist when students release their fry into local creeks and lakes. Funding may only be used for new programs located in elementary schools that are eligible for high-poverty allocations from the Learning Assistance Program. Of the appropriation provided, OSPI may use no more than \$35,000 each Fiscal Year for OSPI administration costs related to the contract.

#### **Residential Outdoor School—\$995,000**

One-time federal funding is provided to OSPI from ESSER III state amounts to contract with the Washington School Principals' Education Foundation to support pandemic-related learning loss through outdoor learning and overnight camp experiences.

#### **Student Data Transfer—\$968,000**

Funding is provided to implement 2SSB 5593, which requires data sharing agreements between public institutions of higher education and OSPI to facilitate the transfer of high school student directory information for purposes of informing students about postsecondary educational opportunities. The funding will allow OSPI to hire an Associate Director to implement the provisions of the bill.

#### **Peer Support—\$816,000**

Funding is provided to OSPI for a peer-to-peer support competitive grant program for up to six school districts. OSPI must award grants to eligible school districts starting in the 2023–24 school year. Programs should be designed to be primarily youth-led and aim to increase youth school engagement and support personal/cultural identities, and reduce risks associated with depression, school violence, and bullying. Successful grantees may consult with Washington Teen Link and the Natural Helper Program in the development of the grant criteria, and the development of training material support. Program components should

include:

- Identification of trusted peers and staff who other students confide in;
- Development or adaption of training materials;
- Intensive training for peer and staff supporters;
- Avenues to advertise peer support communication strategies; and
- Participant and program evaluations.

School districts may also use funds to develop a sister school rapid trauma response strategy. Under this component, successful applicants reach out to other schools also receiving a peer support grant to develop a trauma response plan that quickly organizes students and staff to contact peers within those schools during times of school trauma and offer support.

OSPI is required to evaluate the program to share best practices and for consideration by other school districts.

#### **FIRST Robotics Increase—\$800,000**

Enhanced funding is provided for the FIRST Robotics program. Funding is provided for secondary Career and Technical Education grants, including parts of programs receiving grants that serve students in grades four through six. If funding is equally matched by private donations, appropriations can be used to support FIRST robotics programs in grades four through twelve.

#### **Expand Core Plus—\$800,000**

Increased funding is provided to expand the Core Plus program, which provides intensive Career & Technical Education experiences with the purpose of preparing students for employment in aerospace, construction, or maritime trades upon graduation. Core Plus is a program that meets the criteria of the CTE Graduation Pathways.

Funding (2021–23 allocations and the 2023–25 enhancement) is provided for annual startup, expansion, or maintenance of Core Plus programs in maritime, construction, and aerospace and advanced manufacturing programs. To be eligible for funding to start up, maintain, or expand programs, the Skills Center, high school, or middle school must be selected through a grant process administered by OSPI in consultation with the Core Plus Advisory Committee. OSPI and the Education Research and Data Center must report annually student participation and long-term outcome data.

Within the amounts provided:

- \$1.8 million is provided solely for grants for the annual startup, expansion, or maintenance of Core Plus programs in aerospace and advanced manufacturing programs;
- \$1.1 million is provided solely for grants for the annual startup, expansion, or maintenance of Core



Plus programs in construction programs; and

- \$1.1 million is provided solely for grants for the annual startup, expansion, or maintenance of Core Plus programs maritime programs.

Proviso language stipulates:

- When the grant demand does not align with the specified allocation, OSPI may allocate funding toward sector areas that meet criteria based on agreement from industry sector representatives.
- \$1.1 million of the appropriation is provided for OSPI to administer, evaluate, and promote the aerospace, advanced manufacturing, construction, and maritime programs, based on industry sector recommendations, including contracts with sector-specific entities to expand sector-specific employer engagement programs, increase work placement opportunities, validate credentials necessary for direct employment, and provide professional development to support schools, teachers, and students. Professional development must include pedagogy-based learning to increase English language arts, mathematics, and science outcomes through Core Plus programming.
- OSPI is required to collaborate with industry sector leadership from the Core Plus program areas and a representative from a statewide business and manufacturing association to inform the administration and continual improvement of Core Plus programs, review data and outcomes, recommend program improvements, ensure Core Plus programs reflect current industry competencies, and identify appropriate program credentials.

#### **Bilingual Educator Initiative—\$762,000**

Funding is provided for additional teacher academy cohorts, programmatic support, and professional development related to the Bilingual Educator Initiative.

#### **Seal of Biliteracy—\$697,000**

Funding is provided for OSPI to address the biliteracy seal. \$197,000 must be used to develop and establish criteria for school districts to award the Seal of Biliteracy to graduating high school students; and \$500,000 must be used to provide students with access to methods to demonstrate proficiency in less commonly taught or assessed languages.

#### **Civic Engagement Grant Program—\$650,000**

One-time funding is provided for Puget Sound ESD 121 to administer a Washington State Capitol Civic Engagement Grant Program for the Auburn, Federal Way, Highline, Kent, Renton, and Tukwila school districts. Grant recipients must use the grant awards to transport one grade of either fourth or fifth grade students to the Washington State Capitol Campus for a day of civic engagement, which may include a capitol tour, mock legislative committee hearings, presentations

on the legislative process, meet and greets with legislative members, and other related activities. If funding remains after all eligible school districts have received grant awards, the remaining funding may be used to support the program for high school students within the eligible school districts. Of the amounts provided, \$10,000 of the appropriation is provided for Puget Sound ESD to administer the grant program.

#### **African Community—\$625,000**

One-time funding is provided to OSPI to contract with an organization located in SeaTac, Washington to provide wraparound social services and expand and maintain existing education and family engagement programs that serve students and families in the Federal Way School District and the Highline School District. The organization must focus on housing and social services, education, and economic development for African immigrant and refugee communities.

#### **Charter School Oversight—\$558,000**

Funding is provided for additional charter oversight duties required under ESHB 1744, which clarifies the responsibilities and accountability for the effective delivery and oversight of public education services to charter school students.

#### **Northwest Education Access—\$500,000**

One-time funding is provided for OSPI to contract with a nonprofit organization serving Opportunity Youth in Pierce, King, and Snohomish counties. The organization must assist traditionally underrepresented students on nontraditional educational pathways by providing mentorship and technical assistance in navigating higher education and financial aid. OSPI may require the recipient of these funds to report the impacts of the efforts in alignment with the measures of the Washington School Improvement Framework.

#### **Career-Integrated Mentoring—\$500,000**

Additional one-time funding is provided for contracts with Washington state based nonprofit organizations that provide career-integrated one-to-one mentoring services for disadvantaged students facing academic and personal challenges with the goal of keeping them on track for graduation and post-high school success. An applicant requesting funding under these provisions must successfully demonstrate to OSPI that it currently provides a career-integrated one-to-one volunteer mentoring program and has been mentoring school youth for at least 20 years in the state prior to application.

#### **Controls Programmer Apprenticeship—\$500,000**

Funding is provided for OSPI to contract with a nongovernmental entity for a controls programmer apprenticeship program.

**Sound Scholars Music Program—\$360,000**

One-time funding is provided to OSPI for the Shelton School District to contract with an organization that provides free early childhood music education to teach music literacy and key skills to prepare children for success in school. The organization must provide Spanish, Mam, and Q'anjob'al versions of the early learning music education program during the 2023–24 school year.

**Yakima Valley Safe—\$350,000**

One-time funding is provided for OSPI to contract with a nonprofit organization to develop and provide a Latino youth resource and support program for students.

**Math Improvement Pilot—\$340,000**

Funding is provided to continue the Math Improvement Pilot Program. The funding is to be distributed as follows:

- \$170,000 of the total appropriation is provided solely for the Chehalis School District.
- \$170,000 of the total appropriation is provided solely for the Spokane School District.

An additional one-time appropriation of \$100,000 is provided to the University of Washington College of Education to partner with the Chehalis School District and the Spokane School District to continue the Math Improvement Pilot Program.

**Military Spouse Employment—\$305,000**

Funding is provided to the Professional Educator Standards Board (PESB) to implement 2SHB 1009, which establishes requirements for certain state agencies and licensing authorities related to the professional licensing and employment of military spouses.

In addition to the funding for the PESB to implement the bill, the Department of Health receives \$158,000 and the Department of Licensing receives \$256,000.

**Snohomish Arts and Culture Programs—\$300,000**

One-time funding is provided for OSPI to contract with a nonprofit organization located in Everett, Washington to provide arts and culture programs to low-income children and youth from diverse racial and ethnic backgrounds to close the education achievement gap in Snohomish County by improving student and youth confidence and improving mental health outcomes.

**AIM Program—\$276,000**

Additional one-time funding is provided for the Academic, Innovation, and Mentoring (AIM) Program, which provides out-of-school time programs that include educational services, mentoring, and linkages to prosocial leisure and recreational activities for youth who are six to eighteen years of age. AIM programs provide Science, Technology, Engineering, and Mathematics (STEM); homework support, and high-yield learning opportunities; and career exploration.

**Graduation Pathway Options—\$271,000**

Funding is provided to implement HB 1308, which establishes an additional graduation pathway option that enables students to meet pathway requirements by completing a performance-based learning experience.

**West Sound STEM—\$250,000**

Funding is provided for the West Sound STEM network to increase Science, Technology, Engineering, and Math (STEM) activities for students in school and after school and to develop industry education pathways in high demand sectors.

**Special Education/Nonpublic Agencies—\$245,000**

Funding is provided to implement E2SSB 5315, which expands OSPI's duties regarding nonpublic agencies that contract with school districts to provide special education programs for students with disabilities.

**High School and Beyond Plan—\$168,000**

Funding is provided to implement E2SSB 5243, which requires OSPI to conduct a cost analysis and feasibility study to determine the cost of transitioning to an online High School and Beyond Plan platform, due September 1, 2024.

**Substitute Teacher Application—\$150,000**

Funding is provided for OSPI to plan for the development and implementation of a common substitute teacher application platform.

**Maritime Academy—\$150,000**

One-time funding is provided for OSPI to conduct or contract to conduct a feasibility study for the creation of a Maritime Academy located on the Olympic Peninsula. The study must include the scope, location, design, and budget for the construction of the Maritime Academy. The study must include plans to address systems, policies, and practices that address disparities of historically marginalized communities in the maritime industry. A preliminary report is due to the Legislature by December 1, 2023, with the final feasibility study due to the Legislature by June 3, 2024. Funding provided may be matched by a nonprofit organization that provides high school students with accredited career and technical postsecondary education for maritime vessel operations and maritime curriculum to high schools in Jefferson, Clallam, Kitsap, King, Mason, Pierce, Island, and Snohomish counties.

**Project Education Impact—\$150,000**

Funding is provided for OSPI to contract with a nongovernmental agency to coordinate and serve as a fiscal agent and to cover direct costs of the Project Education Impact Workgroup to achieve educational parity for students experiencing foster care and/or homelessness, consistent with SHB 2711 (2020). OSPI must contract with a nongovernmental agency with experience coordinating administrative and fiscal support for Project Education Impact.



**Plant-based School Meals—\$150,000**

One-time funding is provided for OSPI to administer grants to school districts for a Plant-based School Meals Pilot Program. Grants may be used for food supplies, delivery costs, equipment purchases, education, and other expenditures to increase access to plant-based school meals. Grant awards to school districts may not exceed \$10,000 per district and may only be distributed to school districts that have not received funding for the Pilot Program previously.

**Purple Star Award—\$145,000**

Funding is provided to implement SHB 1346, which establishes the Purple Star Award to recognize school districts and schools that demonstrate educational and social-emotional supports to students of military service members.

**Institutional Education Programs—\$143,000**

Funding is provided to implement SHB 1701, which, among other provisions, directs OSPI to develop a timeline and plan for assuming delineated basic education responsibilities.

**ESSER Set Aside - Summer Meals—\$143,000**

One-time federal funding is provided to OSPI from ESSER III state amounts for grants for supplies, equipment, staffing, and services to increase access to meals in the 2023–24 school year, or the summer prior to the start of the school year.

**Deliberative Democracy Program—\$100,000**

One-time funding is provided for the creation of a Deliberative Democracy Climate Change education program in high schools, based on the Washington Student Climate Assembly Pilot Program. OSPI is required to use the funding to develop and promote a full curriculum for student climate assemblies that can be replicated in public high schools across the state and to fund a part-time statewide coordinator position to oversee program outreach and implementation. By January 1, 2025, OSPI must collect and evaluate feedback from teachers, students, local government employees, and elected officials participating in the Pilot Program and report to the Legislature on options to improve, expand, and extend the program.

**Educational Staff Associates—\$113,000**

One-time funding is provided for the Professional Educator Standards Board (PESB) to review national certification opportunities for Educational Staff Associates through the relevant national associations for their profession and through the National Board for Professional Teaching Standards. PESB must compare the standards and processes for achieving these certifications, including an analysis of how Educational Staff Associate positions' national certification aligns with school roles and the professional expertise of school-based education staff associates. PESB must submit the comparison report to the Legislature by October 1, 2024.

**Cannabis Revenue Distribution—\$112,000**

Appropriations from the Dedicated Cannabis Account are adjusted pursuant to E2SSB 5796 (2022) and updates in the March 2023 revenue forecast. Current law requires

the Legislature to provide specific amounts of Cannabis revenue to various agencies, which must be adjusted annually for inflation, based on the Consumer Price Index. Adjusted distribution amounts provide OSPI with \$112,000. Distributions in other agencies are also adjusted:

- Department of Commerce—\$1.7 million
- Liquor & Cannabis Board—(\$3.0 million)
- Health Care Authority—\$6.6 million
- Department of Health—\$2.1 million
- Department of Ecology—(\$596,000)
- Department of Agriculture—(\$1.3 million)
- Washington State Patrol—(\$8,000)
- University of Washington—\$50,000
- Washington State University—\$36,000

The 2023 Supplemental Operating Budget also added a \$35.3 million distribution to the Health Care Authority.

**Education Commission of the States—\$92,000**

Washington State is a member of the Education Commission of the States; funding is provided to support ongoing membership in the Commission.

Previously, the state's dues were provided by Office of the Governor. The 2023–25 Operating Budget reduces the governor's expenditure authority by \$184,000 and provides for a corresponding increase to OSPI (\$46,000), the State Board of Education (\$46,000), and the Student Achievement Council (\$92,000).

**Highly Capable Students—\$91,000**

Funding is provided to implement SSB 5072, which modifies Highly Capable Program data collection and reporting requirements for OSPI.

**CTE Courses—\$87,000**

Funding is provided to implement SSB 5617, which addresses Career and Technical Education course equivalencies. Sufficient funding is provided for the technical work group established in the bill.

**Bilingual Education Endorsement—\$71,000**

One-time funding is provided for the Professional Educator Standards Board and the Paraeducator Board to collaborate with OSPI to report on a plan to align bilingual education and English language learner endorsement standards and to determine language assessment requirements for multilingual teachers and paraeducators. A report is due to the Legislature by September 1, 2023.

**Child Nutrition Staffing Analysis—\$60,000**

One-time funding is provided for OSPI to conduct an analysis of child nutrition staffing.

**Vancouver Skills Center Support—\$50,000**

One-time funding is provided for a Skills Center located in Vancouver, Washington to support the center's Criminal Justice and Fire Science programs.

**Childcare Development Materials—\$50,000**

One-time funding is provided for OSPI to consult with one or two high schools that offer established courses in the early childhood development and services career pathway and develop model materials to be used by school districts to provide courses and hands-on work experience in early childhood development and child care services. The model materials must be developed by January 1, 2024.

**School Depreciation Subfunds—\$39,000**

Funding is provided to implement SB 5403, which requires second class school districts to establish a depreciation subfund and allows school districts to deposit up to two percent of a school district's general fund each fiscal year into the depreciation subfund for the purpose of preventative maintenance or emergency facility and equipment needs.

**Elementary School Recess—\$17,000**

Funding is provided to implement ESSB 5257, which requires WSSDA, with OSPI's assistance, to revise a model policy and procedure on nutrition, health, and physical education.

**Local Effort Assistance—(\$20.1 million)**

Funding for Local Effort Assistance (LEA or "levy equalization) is reduced by \$20.1 million. This is not a policy "cut," however. The reduced funding is due to updates of final levy election results and assessed property values.

While overall funding for LEA is reduced, the 2023 Supplemental Operating Budget provides \$31.6 million to assist school districts in Fiscal Year 2023 that are set to lose some—or all—of their LEA due to spikes in housing values. See [LEAP Document 4](#) (dated April 20, 2023 at 11:11 hours) for the distribution of these funds.

**Skills Center Integrated Pathway—(\$200,000)**

Funding is reduced and made one-time in the 2023–25 biennium for the Skills Center Integrated Pathway.

**Institutional Student Records—(\$200,000)**

Funding is removed for a records coordinator at Naselle Youth Academy due to its closure.

**BUDGET DETAILS: FEDERAL APPROPRIATIONS**

Federal reappropriations of remaining funding from the Elementary and Secondary School Emergency Relief (ESEER) fund, the Governor's Emergency Education Relief (GEER) fund, and other emergency federal funding for schools appropriated in the 2021–23 biennium is reappropriated in the 2023–25 biennium. Including the one-time federal pandemic funds to support some of the programs

above, these reappropriated funds account for \$1.1 billion in K–12 funding in the 2023–25 biennium:

- **ESSER III Subgrants—\$671.4 million**  
Federal ESSER III subgrant funding is reappropriated to local education agencies for the allowable uses in the American Rescue Plan.
- **ESSER III Learning Loss Subgrants—\$123.4 million**  
Federal funding is reappropriated from ESSER III funds, as authorized by section 2001 of the American Rescue Plan Act (ARPA) of 2021 (P.L. 117-2), for subgrants to local education agencies for learning loss.
- **ESSER II Reappropriation—\$102.0 million**  
Federal ESSER II subgrant funding is reappropriated to local education agencies for the allowable uses in the Coronavirus Response and Relief Supplemental Appropriations Act.

**BUDGET DETAILS: STATE AGENCY ADJUSTMENTS**

The 2023–25 Operating Budget makes a series of funding adjustments for all state agencies, including OSPI. While OSPI's share of the funding enhancements or reductions are minimal, the total adjustments impact the overall funding level of the K–12 portion of the Budget; agency adjustments result in a net increase of \$2.3 million.

**Administrative Hearings—\$1.1 million**

Adjustments are made to reflect each agency's anticipated cost of administrative hearings conducted by the Office of Administrative Hearings.

**OFM Central Services—\$321,000**

Adjustments are made to reflect each agency's anticipated share of charges for existing statewide applications, the One Washington program, and other central services provided by the Office of Financial Management (OFM).

**DES Central Services—\$321,000**

Adjustments are made to reflect each agency's anticipated share of charges from the Department of Enterprise Services (DES) for campus rent, parking, contracts, and security; capital project surcharges; financing cost recovery; public and historic facilities; real estate services; risk management services; personnel service rates; the Perry Street and Capitol Campus child care centers; small agency services; and the department's enterprise applications.

**Legal Services—\$159,000**

Adjustments are made for each agency's anticipated cost of legal services provided by the Attorney General's Office. Because legal services expenditures are based on consumption, funding provided in the central service model is not all inclusive.

**CTS Central Services—\$147,000**

Adjustments are made to reflect each agency’s anticipated share of charges from the Consolidated Technology Services agency (CTS) for the Office of the Chief Information Officer, Office of Cybersecurity, state network, enterprise services, small agency IT services, security gateways, geospatial imaging services, and Microsoft 365 (M365) licenses for agencies using the shared tenant.

**GOV Central Services—\$120,000**

Adjustments are made to reflect each agency’s anticipated share of charges corresponding to new billing authority for services provided by the Office of Equity in the Office of the Governor.

**Audit Services—\$45,000**

Adjustments are made for each agency’s anticipated cost of audits performed by the State Auditor’s Office.

**Archives/Records Management—\$12,000**

Adjustments are made for each agency’s anticipated share of charges for archives and records management services provided by the Secretary of State’s Office.

**Self-Insurance Liability Premium—\$12,000**

Adjustments are made to reflect each agency’s share of the actuarially projected costs of the self-insurance liability premium.

**Real Estate Services to CSM—(\$4,000)**

Agency budgets are reduced by the base budget amounts provided to the Department of Enterprise Services (DES) for Real Estate Services so the cost can be added to the central service model (CSM) allocation in DES central services.

**BUDGET DETAILS: K–12 COMPENSATION****Inflationary Factor—Salary Allocations**

As discussed above (and in the Bills That Passed section later in this Report), ESB 5650 set in statute the 2023–24 school year Inflationary Factor as 3.7 percent. Additionally, beginning in the 2024–25 school year, the Inflationary Factor will be calculated as the Implicit Price Deflator (IPD) for the prior calendar year. The Inflationary Factor for the 2024–25 school year, as adopted in the 2023–25 Operating Budget, is 3.9 percent. The second-year increase, however, is a projection—and acts as a “placeholder” for budgetary purposes. When the Economic & Revenue Forecast Council (ERFC) releases its monthly Economic & Revenue Update in mid-January next year, we will know the final 2023 IPD—and, therefore, what the 2024–25 school year Inflationary Factor will be when the Legislature adopts the 2024 Supplemental Operating Budget.

There is a caveat: The calculation of the Inflationary Factor is now adopted in statute. Technically, the Legislature can amend it at any time; however, barring some kind of unanticipated catastrophic event, it is highly unlikely the new definition of IPD will be changed any time soon.

For planning purposes, the CURRENT ERFC projection of IPD in the out-years are as follows:

- 2023: 3.9 percent
- 2024: 2.4 percent
- 2025: 1.9 percent
- 2026: 1.9 percent
- 2027: 2.0 percent

It is important to remember that the new Inflationary Factors are used to increase funding for the statewide minimum salary allocations, which are provided to school districts to be distributed via your locally bargained salary schedules—not directly “passed through” to educators.

For the 2022–23 school year, statewide minimum salary allocations for Certificated Instructional Staff, Certificated Administrative Staff, and Classified Staff were: \$72,728, \$107,955, and \$52,173, respectively. The minimum salary allocations for CIS, CAS, and CLS in the 2023–25 Operating Budget will increase for the 2023–24 school year to: \$75,419, \$111,950, and \$54,103, respectively. Using the 3.9 percent projected Inflationary Factor for 2023, the Budget provides for the following statewide minimum salary allocations for the 2024–25 school year: \$78,360 for CIS; \$116,316 for CAS; and \$56,213 for CLS.

**Inflationary Factor—MSOC**

Funding for Materials, Supplies, and Operating Costs (MSOC) are also adjusted by inflation. In recent years, the Inflationary Factor for MSOC has been the same one used for salary allocations. In the 2023–25 Operating Budget, however, the MSOC Inflationary Factor is 3.1 percent in the 2023–24 school year and 2.1 percent in the 2024–25 school year. The total MSOC per Student FTE in 2023–24 is \$1,483.44; and in 2024–25 is \$1,514.59. (Funding rates for individual components of MSOC are detailed in the Budget document.)

Additionally:

- Students in approved Skills Center programs generate per Student FTE MSOC allocations of: \$1,724.62 for the 2023–24 school year; and \$1,760.84 for the 2024–25 school year.
- Students in approved exploratory and preparatory Career and Technical Education programs generate per Student FTE MSOC allocations of: \$1,724.62 for the 2023–24 school year; and \$1,760.84 for the 2024–25 school year.
- Students in grades 9 through 12 generate per Student FTE MSOC allocations in addition to the allocations provided for all general education students, Skills Center students, and CTE students. The total grade 9 through 12 basic education MSOC per Student FTE are: \$200.23 for the 2023–24 school year; and \$204.43 for the 2024–25 school year. (Funding rates for individual components of grades 9 through 12 MSOC are detailed in the Budget document.)



### **Inflationary Factor—National Board Bonus**

The 2023–25 Operating Budget provides inflationary increases of 3.1 percent and 2.1 percent for bonuses to teachers that achieve certification from the National Board for Professional Teaching Standards. First-year bonuses increase from \$3,611 in the 2022–23 school year to \$3,723 in the 2023–24 school year and to \$3,801 in the 2024–25 school year. Similarly, National Board bonuses for subsequent years also increase, from the previously funded \$6,019 in the 2022–23 school year to \$6,206 in the 2023–24 school year and to \$6,336 in the 2024–25 school year.

### **Substitute Teachers**

Once again, the Legislature made no changes to address substitute costs—neither substitute funded days or substitute rates were adjusted. For the 2023–24 and 2024–25 school years, funding for substitute costs for classroom teachers continue to be based on four funded substitute days per classroom teacher unit generated, at a daily substitute rate of \$151.86.

### **SEBB Rate Adjustment**

The final 2023–25 Operating Budget funds a School Employees' Benefits Board (SEBB) rate adjustment. For the 2023–24 school year, the per employee per month rate has increased from \$1,026, to \$1,100; and increased to \$1,157 for the 2024–25 school year.

For each full-time employee, the retiree remittance is \$68.41 per month beginning September 1, 2023 and \$78.50 per month beginning September 1, 2024. The retiree remittance for part-time employees is the same.

## **ADDITIONAL DETAILS**

### **Climate Plus Grants**

\$5.5 million is provided to the Department of Health to distribute grants to small school districts updating existing heating, venting, and air conditioning systems using Small District Modernization Grants.

### **OSPI Apportionment System**

The 2023 Supplemental Operating Budget provides OSPI with \$72,000 in Fiscal Year 2023 for IT project funding for a contract to assess the feasibility, specifications, and cost estimates for full development and implementation of the school apportionment system.

### **Career Connected Learning**

\$2.7 million is transferred from the Employment Security Department to OSPI for grants to the nine Educational Service Districts for the cost of employing one full-time equivalent employee to support the expansion of Career Connected Learning.

### **Chinese Americans**

\$25,000 is provided to OSPI in the 2023 Supplemental Operating Budget specifically to contract with the College of Arts and Sciences at the University of Washington to provide educational research about the contributions of Chinese Americans to Washington state and to make recommendations about a preferred month in which to recognize these contributions.

SB 5000 was adopted this session. It declares that January of each year will be known as Chinese American/Americans of Chinese Descent History Month and public schools are encouraged to designate time for appropriate activities in commemoration of Chinese American/ Americans of Chinese Descent History Month and the lives, history, achievements, and contributions of Chinese Americans and Americans of Chinese descent. Presumably there will not be a recommendation to change this new designation; however, the work could produce some resources for schools to use when they commemorate Chinese American/ Americans of Chinese Descent History Month.

### **SEBB Benefit Access**

\$324,000 is provided to the Health Care Authority to implement SSB 5275, which allows state-tribal education compact schools, employee organizations representing school employees, and school board directors to access SEBB benefits.

### **PEBB/SEBB Administration**

Proviso language requires the Health Care Authority, in consultation with the Office of Financial Management, to review consolidating the administrative sections of the Operating Budget for the Public Employees' and School Employees' Benefits Boards. The language states, "any change in budget structure must not result in changes to board or benefit policies."

A budget structure change developed under this proviso may be included in the 2024 Supplemental Operating Budget or the governor's 2025–27 Operating Budget request without being subject to the Legislative Evaluation and Accountability Program Committee approval.

NOTE: The Health Care Authority has been reviewing whether PEBB and SEBB should be merged. This proviso, however, addresses administrative issues around the Budget and not changes to the PEBB or SEBB programs.

### **School Food Services**

This past school year there was a shortfall in school meal reimbursements for districts participating in the federal Community Eligibility Provision (CEP). OSPI worked with legislators prior to the 2023 Session and secured commitments to address the shortfall. The 2023 Supplemental Operating Budget includes an additional \$26.5 million to make districts whole.

### Local Effort Assistance

As noted above, the 2023 Supplement Operating Budget provides a \$31.6 million increase in levy equalization funding to assist school districts in Fiscal Year 2023 that are set to lose some—or all—of their LEA due to spikes in housing values. See [LEAP Document 4](#) (dated April 20, 2023 at 11:11 hours) for the distribution of these funds.

### Incremental Fringe Benefits

The 2021–23 Operating Budget included funding for incremental fringe benefits for Classified Staff at a rate of 19.25 percent in the 2021–22 school year and 19.30 percent for the 2022–23 school year. The 2023 Supplemental Operating Budget provides an increase to 19.44 percent for the remainder of Fiscal Year 2023.

### School Health Rules

As in previous biennial budgets, the 2023–25 Operating Budget includes proviso language explicitly prohibiting the Department of Health and the State Board of Health from implementing any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the Legislature and the Legislature has formally funded implementation of the rules through the state's Operating Budget or statute.

The Board of Health adopted the new rules in August 2009; however, in compliance with Operating Budget directives, they have extended the effective date of the rule's multiple times.

There was an amendment adopted in the House Appropriations Committee to reverse this long-standing restrictive proviso; however, the amended language was stripped out—and replaced with the original language—before the final 2023–25 Operating Budget was adopted.

### Educational Opportunity Gap Study

One-time funding is provided to complete a study on the educational opportunity gap, in coordination with the Commission on Asian-Pacific-American Affairs (\$500,000), the Commission on African-American Affairs (\$250,000), the Commission on Hispanic Affairs (\$250,000), and the Governor's Office of Indian Affairs (\$250,000).

Funding is provided for the Commissions to engage a contractor to:

- Conduct a detailed analysis of the opportunity gap for:
  - Asian American students;
  - Native Hawaiian and Pacific Islander students;
  - African-American students;
  - Hispanic and Latinx students; and
  - Native American students
- Develop recommendations for continuing efforts to close the educational opportunity gap while meeting the state's academic achievement indicators as

identified in the state's Every Student Succeeds Act consolidated plan; and

- Identify performance measures to monitor adequate yearly progress.

NOTE: the Native American study will also analyze the progress in developing effective government-to-government relations and identification and adoption of curriculum regarding tribal history, culture, and government as provided under current law (RCW 28A.345.070)

The contractor(s) is required to submit a study (or studies) update by December 1, 2024, and submit a final report (or reports) by June 30, 2025, to the Educational Opportunity Gap Oversight and Accountability Committee, the governor, OSPI, the State Board of Education, and the Legislature.

### School-Based Health Centers

\$1.8 million is provided to the Department of Health to increase access to health care in academic settings by expanding the school-based health center program.

### Tax Database

The Department of Revenue is provided \$250,000 to develop an implementation plan for an online searchable database of all taxes and tax rates in the state for each taxing district, including school districts. A report summarizing options, estimated costs, and timelines to implement each option must be submitted to the Legislature by June 30, 2024. The implementation plan must include an array of options, including low cost options that may change the scope of the database. However, each low cost option must still provide ease of public access to state and local tax information that is currently difficult for the public to collect and efficiently navigate.

### Energy Audits

The Department of Commerce is provided with \$20.6 million to administer a grant program to assist owners of public buildings in covering the costs of conducting an investment grade energy audits. Public buildings include those owned by state and local governments, tribes, and school districts.

### Electric Infrastructure

\$138.0 million is provided to the Department of Commerce for the development of community electric vehicle charging infrastructure. Funding provided must be used for projects that provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or increase energy independence for the state. Projects that receive funding must be implemented by, or include partners from, one or more of the following: local governments; federally recognized tribal governments; or public and private electrical utilities that serve retail customers in the state. Grant funding must be used for Level 2 or higher charging infrastructure and related costs including but not limited to construction and site improvements. Projects may



include a robust public and private outreach plan that includes engaging with affected parties in conjunction with the new electric vehicle infrastructure. The Department of Commerce must prioritize funding for projects in the following order:

- Multifamily housing;
- Publicly available charging at any location;
- Schools and school districts;
- State and local government buildings and office buildings; and
- All other eligible projects.

The Department of Commerce must coordinate with other electrification programs, including projects developed by the Department of Transportation, to determine the most effective distribution of the systems. The Department of Commerce must also collaborate with the interagency Electric Vehicle Coordinating Council in developing community electric vehicle charging infrastructure and must work to meet benchmarks established in law.

#### **DOH Information**

\$124,000 is provided to the Department of Health (DOH) to implement HB 1230, which requires DOH to post and periodically revise its website information about substance use trends, overdose symptoms and response, and the secure storage of prescription drugs, over-the-counter medications, and firearms and ammunition. The bill requires school districts to prominently link to DOH's website.

#### **Mental Health Support**

\$910,000 is provided to the Health Care Authority for additional staff support for the mental health referral service for children and teens.

#### **African American Behavioral Health**

The Department of Health is provided with \$750,000 to contract with an organization located in Thurston County that dedicates itself to the promotion of education, holistic health, and trauma healing in the African American community to provide behavioral health education, mental wellness training, evidence-based health programs, events, and conferences to individuals, youth, adults, parents/parent partners, and families, that have suffered from generational and systemic racism. In conducting this work, the organization will engage diverse individuals in racial healing and reparative justice in the field of mental wellness. The organization will also prioritize mental health equity and reparative justice in their work to eradicate health disparities that African American communities have faced due to generational racism.

#### **Handle with Care Program**

The Department of Commerce is provided with \$300,000 for a grant to a nonprofit organization based in Kitsap County that partners with the Bremerton and Central Kitsap School Districts, first responders, and other organizations to expand implementation of the Handle with Care Program. The program provides a way that districts can provide proactive,

holistic support to students affected by traumatic events at home. When a first responder is called to a home and a child is present, the school can be notified of that event so that the next day, someone has the opportunity to check in with the child.

#### **Gang Intervention**

The Commission on Hispanic Affairs is provided with \$210,000 for a pilot program in the Skagit Valley to hire gang youth intervention specialists within high schools to address the roots of gang involvement.

#### **Gang Violence**

The Department of Commerce is provided with \$750,000 for a grant to a nonprofit community-based organization for the coordination of a Gang Violence Prevention Consortium with entities including community-based organizations, law enforcement, and members of the faith community, and to continue and expand after-school activities and social services for students and young adults in the Yakima Valley. Social services may include, but are not limited to, employment, mental health, counseling, tutoring, and mentoring services. The grant recipient must be a community-based organization located in Granger operating a Spanish language public radio station and with the mission of addressing the social, educational, and health needs of economically disadvantaged Spanish-speaking residents of central and eastern Washington.

By June 30, 2025, the Department of Commerce must provide a report to the Legislature. The report must include: A description of the gang violence prevention programs conducted by the Consortium and how they were implemented; and the number of individuals who participated in or received services through the programs conducted by the Consortium, including any relevant demographic data for those individuals.

#### **Prime Time Reading Program**

The Office of the Secretary of State is provided with \$700,000 for a contract with Humanities Washington to expand the Prime Time Family Reading Program. The Program serves children from six- to ten-years old and their families, building critical thinking skills, and constructing a strong foundation to support a lifelong love of reading.

#### **Naselle Youth Camp—Inpatient Services—VETO**

The Department of Social & Health Services (DSHS) is directed to study the feasibility of using the former Naselle Youth Camp for inpatient services in order to create additional forensic bed capacity for individuals in jails awaiting admission to the state hospitals. DSHS is directed, by June 30, 2024, to submit a report to the Legislature and to the Office of Financial Management that provides an evaluation of the potential uses of the former Naselle Youth Camp that would provide the greatest reduction to the forensic waitlist for admission to the state hospitals. The report must provide cost estimates and address workforce needs and considerations, including the potential for on-campus housing.

Prior to signing the Budget, Governor Inslee vetoed this required study. In his veto message, Gov. Inslee argued the feasibility study is unfunded (DSHS was not provided additional funding and was required to use funds already appropriated to complete the study), and more important, it was “duplicative of the Office of Financial Management (OFM) Task Force created in the Budget” (as discussed below). In his veto message, Inslee directed the OFM Task Force to “consider the use of the Naselle Youth Camp for forensic bed capacity in its work.”

### **Naselle Youth Camp—Task Force**

The Office of Financial Management is provided with \$298,000 to convene a Task Force to identify, plan, and make recommendations on the conversion of the Naselle Youth Camp property and facilities to an alternate use. The Task Force must include representatives appointed by the following entities and organizations:

- The Pacific County Commissioners;
- The tribe located nearest to the facility;
- The Naselle-Grays River School District;
- ESD 112;
- The Pacific County Sheriff’s Office;
- The Naselle Chamber of Commerce;
- A citizen residing near the Naselle Youth Camp, chosen by the Pacific County Commissioners;
- The Department of Natural Resources;
- The Department of Social and Health Services;
- The Department of Ecology; and
- The Office of Financial Management.

The Task Force must also include the state senator and a state representative whose district represents the Naselle community. The Task Force must meet at least every other month, and the first meeting must be held by July 31, 2023. The Task Force must report its findings and a prioritized list of recommendations to the governor and the Legislature by June 30, 2024.

### **Staffing Allocations**

Last session, the Legislature adopted 2SHB 1664 which began a three-year phase in of enhanced staffing allocations for Physical, Social, Emotional support staff (nurses, social workers, psychologists, counselors, classified staff providing student and staff safety, parent involvement coordinators, and other school district employees and contractors who provide physical, social, and emotional support to students). The first phase-in of funding was expected to be \$90.6 million in Fiscal Year 2023. For whatever reason, the 2022 Supplemental Operating Budget provided \$145.5 million. The new 2023 Supplemental Operating Budget reduces that appropriation to \$90.6 million.

### **ESSER Funding—VETO**

The 2023 Supplemental Operating Budget deletes \$93.1 million in ESSER III funding, provided for grants for the purpose of learning recovery and acceleration.

This action would strip OSPI of the authority to spend \$93,140,000 of ESSER III funds that were part of the \$200 million for learning recovery efforts. The understanding is that legislators were trying to force OSPI’s hand, requiring them to spend ESSER II dollars before ESSER III dollars (which they are already doing, by the way). The maneuver, however, caused a messy accounting scenario that would have mandated OSPI to go back into a “closed” Fiscal Year to recode expenditures that were already made—something that is frowned upon by the Office of Financial Management (OFM).

After the Legislature adopted the Budget, OSPI worked with OFM and they concurred the change was problematic—and unnecessary. OSPI and OFM jointly asked the governor to veto the provision—which he did. With this veto, the deleted funding is returned (status quo). In his veto message, Governor Inslee noted that “A portion of this funding is within closed fiscal years and can no longer have changes in appropriation.” He added, however, that he is requesting “OSPI to prioritize spending down ESSER II before ESSER III to ensure that all federal funding is spent prior to its expiration date.” (Again, this is already being done, but it throws a bone to legislators who sought to have the funding deleted.)

### **Disability Data Collection**

The Department of Social & Health Services (DSHS) is provided with \$250,000 to study opportunities to enhance data collection on clients in family units with at least one parent having a developmental or intellectual disability. The study must identify:

- Opportunities to improve the existing assessment form and information technology systems by adding questions about clients’ children, such as their ages, the number of children, and the K–12 enrollment status of each child;
- Ways to strengthen data sharing agreements with other departments, including the Department of Children, Youth, and Families, and local school districts;
- Strategies for surveying clients to collect information on their parenting and living arrangements, including support from other family members;
- Methods for analyzing new and existing data to determine and identify the total number of children with parents that have a developmental or intellectual disability, their needs, and access to specialized services; and
- An inventory of existing support programs designed for families with a parent having a developmental or

intellectual disability and their children, including educational support, financial assistance, and access to specialized services.

DSHS is required to report its findings to the governor and the Legislature by June 30, 2024.

## 2023–25 Capital Budget: ESSB 5200

The biennial Operating Budget is always the issue that catches the most attention—and adopting an Operating Budget is the ONLY specific accomplishment necessary in a long session—but the Capital Construction Budget is also a major issue. Unlike the Operating Budget, which often can be hyper-partisan, crafting and adopting a two-year Capital Budget is often a very bi-partisan affair. This was true again this year. Both the Senate’s and the House’s original proposals were jointly introduced by Capital Budget leads from the Majority Democrats and Minority Republicans and when the two houses negotiated a final, compromise budget, all four Caucuses were involved.

Senate Democrats (joined by their Senate Republican colleagues) were the first out of the gate with a 2023–25 Capital Budget. The Senate rolled out a proposal (SB 5200) that would fund \$7.9 billion in construction projects, with \$4.7 billion of the total being financed with General Obligation bonds. The remaining \$3.2 billion consisted of \$798 million in federal funds, \$325 million in Model Toxic Control Accounts, \$319 million in Climate Commitment Accounts, \$265 million in alternative financing authorizations, and \$1.5 billion in other funds. The Senate proposal retained approximately \$63 million in bond capacity for a 2024 Supplemental Capital Budget.

The Senate’s Capital plan included \$860 million for behavioral health needs; \$625 million for affordable housing projects; and \$547 million to address various human services. Major funding was provided for various general government projects (\$1.1 billion); higher education (\$1.2 billion); and natural resources projects (\$2.3 billion). Specifically for K–12 education, the Senate Capital Budget included a total \$894 million appropriation.

As the Senate began to take action on its Capital Budget proposal, the House Democrats (assisted by their counterparts in the House Republican Caucus) unveiled their Capital plan (HB 1147). The House’s construction package was modestly larger than the Senate’s, appropriating \$8.1 billion in construction projects (compared to the Senate’s \$7.9 billion funding). Like the Senate, the House proposal would be supported by \$4.7 billion in General Obligation bonds. The remaining \$3.4 billion of necessary funding was divided in a similar fashion as the Senate package; it included \$855 million in federal funds, \$303 million in Model Toxic Control Accounts, \$525 million in Climate Commitment Accounts, \$295 million in alternative financing authorizations, and \$1.5 billion in other funds. The remaining bond capacity for a 2024 Supplemental Capital Budget was more than double what the Senate included: \$160 million in the House plan versus \$63 million in the Senate.

The main Capital components in the House plan were also similar to the Senate proposal. The House included \$893 million for behavioral health needs (Senate=\$860 million); \$700 million for affordable housing projects (Senate=\$625 million); and \$330 million to address various human services (Senate=\$574 million). Major funding, too, was closely aligned: general government projects, House=\$1.6 billion and Senate=\$1.1 billion; higher education, House=\$1.3 billion and Senate=\$1.2 billion; and natural resources projects, House, and Senate=\$2.3 billion. For K–12 education, the House’s \$847 million proposal was lower than the Senate’s \$894 million appropriation.

With both plans on the table, which were substantially similar, negotiations proceeded. Capital negotiations, while not simple, were clearly more cordial than Operating discussions. For the most part, it appeared there were no major sticking points that were going jam up the process. Certainly, some of the numbers in both houses needed to be tweaked and proviso language needed to be massaged; however, Capital Budget negotiations never appeared at risk of falling apart.

Throughout the session, both houses spent considerable time discussing K–12 facilities, with a heavy focus on small school issues. It is doubtful if legislators would ever admit it; however, it was apparent many of them were keeping an eye on the *Wahkiakum School District v. State of Washington* school construction lawsuit. In the March 14 hearing before the Supreme Court, one of the Justices noted that the state might be able to avoid losing the lawsuit (and potential future lawsuits) by bolstering the Small District Modernization Grant Program and other school district capital grant programs.

Interestingly enough, HB 1044 and SB 5126 were centerpiece issues in the K–12 school construction discussion. HB 1044 would provide capital financial assistance to small school districts with demonstrated funding challenges; and SB 5126 would specifically address the Small District Modernization Grant Program, by requiring the Common School Construction Fund to finance the prioritized project list in the grant program.

As noted above, major turmoil seemed to be avoided in the Capital Construction Budget negotiations; however, a dispute between the houses regarding HB 1044 and SB 5126 was an issue that spilled into the open. When legislative Capital Budget proposals were released, both houses included about \$100 million for the Small School District Modernization Grant Program. The difference, however, was that the Senate included funding to implement SB 5126, while the House included similar funding, but resisted putting the program in statute.



Ultimately, both bills failed to be adopted. \$4.0 million was included in the final Capital Budget to support HB 1044, the bill included a “null and void” clause and the funding automatically lapsed with the failure of the bill. (Governor Inslee officially vetoed the Section as a “clean up” action.) SB 5126 was not referenced in the final Budget; however, the \$100.0 million supported by both houses was retained. The funding will support 35 of 41 construction requests and 44 of 72 requests for planning grants.

It should not be overstated, but the positive movement of HB 1044 and SB 5126 provides some evidence that, as noted, legislators are keeping an eye on the Wahkiakum lawsuit. The case is highlighting school construction issues and has sparked some positive movement (or at least some positive conversation) in the Legislature.

If legislators believe they could lose this case, we might see legislators making an even greater effort to address the issue before a Court has a chance to tell them what they have to do. If so, this could have far-reaching, positive implications for each of Washington’s school districts. Legislators hold fast to the “separation of powers” doctrine because of all the things they abhor (Democrats and Republicans), being told what to do is high on their list.

Even though the discussion of K–12 construction was more evident and positive in this session—regardless of the reason—the Legislature continues to disappoint with its ongoing refusal to even have an honest conversation about updating the state’s woefully outdated and inadequate school funding formulas. Not a single bill—or budget proviso—made ANY mention of needed changes. And, even though there were two constitutional amendments on the table that would allow our citizens the opportunity to decide whether school district bonds should be approved by something less than a 60 percent supermajority, neither bill was heard and there was virtually NO discussion about the issue. (NOTE: HJR 4203, if adopted, would allow simple majority approval of school district bonds; HJR 4207, if adopted, would allow school district bonds to be approved with a 55 percent majority.)

## FINAL 2023–25 CAPITAL BUDGET

The final 2023–25 Capital Budget, ESSB 5200, provides \$9.0 billion for capital construction across the state (a significant investment that is well-above both of the original legislative proposals). As part of the spending package, the budget reappropriates \$7.6 billion in previously authorized, but uncompleted projects. \$4.7 billion of the spending is financed with General Obligations bonds; however, the bond authorization bill (HB 1148) only authorizes the State Finance Committee to issue up to \$4.2 billion in General Obligation bonds to finance projects in the 2021–23, 2023–25 and future fiscal biennia.

For those of you interested in the discrepancy between the provided \$4.7 billion in G.O. bonds versus the authorization to issue only \$4.2 billion, an explanation is in order. The bond authorization bill goes beyond the simple authorization of issuing bonds. Unlike previous years, the funding in the bond bill incorporates underspending in the 2023 Supplemental Capital Budget (\$127 million) and provides a one-time reappropriation reversion (\$400 million). There are also three previous and expiring bond authorizations where projects have been completed: Flood Hazard Mitigation bonds issued in 2008, School Construction Assistance Program bonds issued in 2009, and Skills Center Facility bonds issued in 2008. The one-time reappropriation reversion comes from a difference in the amount of bonds authorized versus the amount of appropriations expended prior to 2021. This difference has not been reflected in the calculation of available debt capacity under the state debt limit, which has resulted in an understatement of available debt capacity of the state (prior to these adjustments, \$4.2 billion). Making these changes increases the total projected bond capacity to \$4.8 billion for the 2023–25 biennium. Utilizing \$4.7 billion of that total leaves \$95 million in bond capacity, which will be reserved for a 2024 Supplemental Capital Budget.

With the appropriation of \$4.7 billion in bonds (out of the total \$9.0 billion package), the remaining \$4.3 billion in funding consists of: \$947 million in federal funds; \$328 million in Model Toxic Control Accounts; \$717 million in Climate Commitment Accounts; \$295 million in alternative financing authorizations; \$275 million from the State Common School Construction Account; and \$1.8 billion in other funds. As noted above, approximately \$95 million in bond capacity is reserved for a 2024 Supplemental Capital Budget.

The final Capital Budget provides: \$884 million for behavioral health needs (including \$613 million for phased in construction of a new Western State Hospital); \$694 million in affordable housing projects; and \$407 million to address various human services projects. Major funding is provided for natural resources projects (\$2.4 billion); higher education construction (\$1.5 billion); and various general government projects (\$1.5 billion).

The 2023–25 Capital Budget provides K–12 education with \$871.5 million in facility-related funds. The details are described below.

## K–12 EDUCATION DETAILS

- \$588.2 million is provided for the **School Construction Assistance Program (SCAP)**. This is coupled with a reduction of \$105.3 million in the 2023 Supplemental Capital Budget. It is important to note that this is not a “cut”—it simply is an adjustment resulting from less districts requesting



funding for eligible projects than expected. This is mostly due to unanticipated bond failures.

Note that allocations for the Construction Cost Allowance (CCA or “cost per square foot”) will increase to \$258.92 per square foot of eligible area in 2023 and to \$271.61 per square foot of eligible area in 2024. No changes are made to the Student Space Allocation (SSA or “square feet per student”).

Of the total SCAP appropriation, \$5.0 million is provided for study and survey grants and for completing inventory and building condition assessments for public school districts every six years. (This funding is slightly increased from previous proposals because additional proviso language is added requiring part of the appropriation to be used for the acquisition of art, as required by current law.)

- \$100.0 million is provided for **Small District and Tribal Compact Schools Modernization** grants. Funds are provided for grants to repair or replace significant building systems in school facilities.
  - \$81.4 million of the overall appropriation is provided for modernization grants for small school districts and state-tribal education compact schools with total enrollments of 1,000 students or less with significant building system deficiencies and limited financial capacity as approved by OSPI’s Small District Modernization Grant Advisory Committee. 35 of 41 requests are funded.
  - \$1.5 million of the overall appropriation is set aside for planning grants. Planning grants may not exceed \$50,000 per district and may only be awarded to school districts with an estimated total project cost of \$6.0 million or less. 44 of 72 grants are funded.
  - \$12.1 million of the overall appropriation is set aside for planning grants and modernization grants to state-tribal education compact schools. OSPI may prioritize planning grants for state-tribal education compact schools with the most serious building deficiencies and the most limited financial capacity. Six projects are funded.
  - \$5.0 million of the overall appropriation (funded from the Climate Commitment Account) is set aside for Energy Assessment Grants for small school districts. Grant funding awarded may be used to perform facility energy assessments of instructional buildings.

OSPI must submit a list of small school district modernization projects, as prioritized by the Small District Modernization Grant Advisory Committee, to the Legislature by September 15, 2024. The list

must include: (a) a description of the project; (b) the proposed state funding level, not to exceed \$6.0 million; (c) estimated total project costs; and (d) local funding resources.

Appropriations provided may only be awarded to projects approved by the Legislature, as identified in [LEAP Document No. OSPI-1-HB-2023](#) (dated April 10, 2023).

- \$48.2 million is provided to support **Skills Centers**:
  - \$41.4 million is provided to the Bremerton School District to complete design and begin construction of a new Career and Technical Education facility at the West Sound Technical Skills Center in Bremerton. A reappropriation of \$11.0 million is also provided for the project. The reappropriation is subject to proviso language contained in the 2022 Supplemental Capital Budget, which requires the Bremerton School District to coordinate with OSPI to: (a) ensure the Career and Technical programs planned for in the design of the Skills Center support high-demand and high-wage sector program needs; (b) ensure that space needs are reasonable and appropriate for the programs planned and enrollment projections; (c) evaluate the proposed project budget using value engineering and life-cycle cost analysis techniques; and (d) use this information to inform the proposed design. OSPI is required to approve the Skills Center programs, design, and budget before requesting allotment of construction phase funding.
  - \$5.1 million is provided for Skills Centers Minor Works.
- \$40.0 million is provided to the **School Seismic Safety Grant Program**, as established in 2022 (SSB 5933). Under the program, grants are provided to school districts and state-tribal education compact schools to cover the costs of retrofitting or relocating schools located in high seismic hazard areas or within the Washington Tsunami Design Zone.

NOTE: OSPI, in collaboration with its Citizens Advisory Panel (CAP) and Technical Advisory Committee (TAC), has developed administrative Rules to implement the School Seismic Safety Grant Program created by the Legislature in 2022. New Rules, which are awaiting public hearings, would outline how schools apply and receive grant funding provided by the new program. Additionally, if the proposed Rules are adopted, they would allow seismic projects to become eligible for SCAP funding.

Outside of the Education section of the Budget, an additional \$663,000 has been provided to the Department of Natural Resources for School Seismic Safety—Geologic Site Class Assessments in 2023–25.

➤ \$21.7 million is provided for seven **Distressed Schools** projects:

- Rainier Beach High School Campus Skills Center (Seattle)—\$9.9 million
- Maritime 253: South Puget Sound Maritime Skills Center (Tacoma)—\$8.0 million
- Seattle Skills Center (Seattle)—\$2.2 million
- Stevenson-Carson High School (Stevenson)—\$750,000
- Ingraham High School Construction Trades Skills Center (Seattle)—\$527,000
- Cascadia Technical Academy (Vancouver)—\$250,000
- Washington Middle School (Seattle)—\$98,000

➤ A total of \$20.2 million is provided for **School District Health & Safety Grants** to support school districts in making their schools safer. Proviso language stipulates the following:

- \$5.0 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. For Emergency Repair Grants only, an emergency declaration must be signed by the school district board of directors and submitted to OSPI for consideration. The emergency declaration must include a description of the imminent health and safety hazard, the possible cause, the proposed scope of emergency repair work and related cost estimate, and identification of local funding to be applied to the project. Grants of emergency repair moneys must be conditioned upon the written commitment and plan of the school district board of directors to repay the grant with any insurance payments or other judgments that may be awarded, if applicable. OSPI is required to notify the Office of Financial Management, the Legislative Evaluation and Accountability Program Committee, the House Capital Budget Committee, and the Senate Ways and Means Committee as projects are approved for funding.
- \$11.6 million is provided for **Urgent Repair Grants** to address nonrecurring urgent small repair projects at K–12 public schools, excluding Skills Centers, that could impact the health and safety of students and staff if not completed.

OSPI, after consulting with Maintenance and Operations administrators of school districts, must develop criteria and assurances for providing funding for specific projects through a competitive grant program. The criteria and assurances must include, but are not limited to, the following: (a) limiting school districts to one grant, not to exceed \$500,000, per three-year period; (b) prioritizing applications based on limited school district financial resources for the project; and (c) requiring any district receiving funding provided in this section to demonstrate a consistent commitment to addressing school facility needs. The grant applications must include a comprehensive description of the health and safety issues to be addressed, a detailed description of the remedy, including a detailed cost estimate of the repair or replacement work to be performed, and identification of local funding, if any, which will be applied to the project. Grants may be used for, but are not limited to: repair or replacement of failing building systems, abatement of potentially hazardous materials, and safety-related structural improvements.

- \$3.6 million is provided for **Equal Access Grants** for facility repairs and alterations at K–12 public schools, including Skills Centers, to improve compliance with the Americans with Disabilities Act and Individuals with Disabilities Education Act. OSPI must develop criteria and assurances for providing funding for specific projects through a competitive grant program. The criteria and assurances must include, but are not limited to, the following: (a) limiting districts to one grant, not to exceed \$100,000, per three-year period; (b) prioritizing applications based on limited school district financial resources for the project; and (c) requiring recipient districts to demonstrate a consistent commitment to addressing school facility needs. The grant applications must include a description of the Americans with Disabilities Act and Individuals with Disabilities Education Act compliance deficiency, a comprehensive description of the facility accessibility issues to be addressed, a detailed description of the remedy including a detailed cost estimate of the repair or replacement work to be performed, and identification of local funding, if any, which will be applied to the project. Priority for grant funding must be given to school districts that demonstrate a lack of capital resources to address the compliance deficiencies outlined in the grant application.

➤ \$11.5 million is provided to support the **Healthy Kids/Healthy Schools Grant** program. Proviso language stipulates:

- \$10.0 million is provided for Healthy Kids/Healthy Schools grants for projects that are consistent with the Healthiest Next Generation priorities. Funding is provided for grant funding to school districts for the purchase of equipment or to make repairs to existing equipment that is related to improving:
  - children’s physical health, and may include, but is not limited to, fitness playground equipment, covered play areas, and physical education equipment or related structures or renovation; and
  - 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.

OSPI must develop criteria for grant funding under this subsection that include, but are not limited to, the following requirements:

- districts may apply for grants, but no single district may receive more than \$200,000 of the appropriation for grants awarded under this section;
- any district receiving funding provided in this section must demonstrate a consistent commitment to addressing school facilities’ needs; and
- applicants with a high percentage of students who are eligible and enrolled in the Free and Reduced-Price Meals program may be prioritized.
- \$1.5 million is provided for grants to school districts for the replacement of lead-contaminated pipes, drinking water fixtures, and the purchase of water filters, including the labor costs of remediation design, installation, and construction.
- \$5.0 million is provided for **Agriculture Science in Schools**. Funding will be used for competitive grants administered by the Future Farmers of America Foundation to furnish equipment for agricultural science instruction in public schools.
- \$4.0 million is provided for **Career Preparation and Launch Capital Grants**. OSPI is to provide competitive grants to school districts to purchase and install Career and Technical Education equipment that expands Career Connected Learning and work-integrated learning opportunities. Proviso language requires OSPI, after consulting with school districts, Career Connect Washington, and the Workforce Training and Education Coordinating Board, to develop criteria and assurances for providing funding

and outcomes for specific projects through a competitive grant program. The criteria must include, but are not limited to, the following: (a) districts or schools must demonstrate that the request provides necessary equipment to deliver Career and Technical Education; and (b) applicants with a high percentage of students who are eligible and enrolled in the Free and Reduced-Price Meals program must be prioritized.

Budget language prohibits any single district from receiving more than \$150,000 of the overall appropriation.

- OSPI is provided with \$4.8 million to support **K–12 Capital Program Administration**. As requested by OSPI, funding will be used for the administrative funding needs of the School Facilities and Organization department within OSPI for the 2023–25 biennium. Funding will support the administration and management of K–12 capital grant programs.

- **VETO:** \$4.0 million is provided to support **Capital Assistance to Small School Districts**. Funding would be used for preconstruction grants and administrative implementation, as described in HB 1044. HB 1044 creates a new capital construction and planning grant program for the modernization and replacement of instructional facilities, specifically for financially distressed school districts that meet certain enrollment and eligibility criteria.

HB 1044 failed to be adopted, which canceled the funding provided due to the inclusion of a “null and void” clause in the bill. Because the funding was a moot point, Governor Inslee vetoed this line item prior to signing the Capital Budget.

- \$575,000 million is provided for **Green Schools: Stormwater Infrastructure**. This item was originally funded under the Healthy Kids/Healthy Schools Grant program and began being funded as a stand-alone program in the 2021–23 Capital Budget. The 2023–25 Capital Budget appropriates funding to continue the program. The funding must be used to contract with a statewide Community-Based Organization with experience planning and developing green stormwater infrastructure and related educational programs on public school properties. The organization that is awarded the contract must use the funding solely for green stormwater infrastructure projects on public school properties and must use geographic analysis to identify green stormwater infrastructure project locations based on the opportunity to reduce stormwater runoff.

To qualify for a project, schools must be eligible for financial assistance under Title I and the contracted

organization must prioritize schools with high percentages of students eligible for the Free and Reduced-Price Meals program that also serve diverse student populations. The stormwater infrastructure projects should aim to:

- Provide equity of opportunity in high-need communities; and
- Engage students in conjunction with K–12 STEM education programs aligned with the Washington state science and learning standards.

## OTHER DETAILS

### Early Learning Facilities—School District Grants.

A total of \$6.4 million is provided, via the Department of Commerce—Ruth Lecocq Kagi Early Learning Facilities Development Account, to assist in the building or expansion of early learning facilities. Grants are provided for seven school district projects:

- Toppenish School District—\$1.08 million
- Orondo School District—\$1.08 million
- Bethel School District—\$1.08 million
- Issaquah School District—\$1.06 million
- North Thurston School District—\$1.0 million
- Highline School District—\$809,000
- South Bend School District—\$300,000

**Local and Community Projects.** Funding is provided to the Department of Commerce for a series of local and community projects, including school and school-related construction:

- Kelso School District—construction and renovation—\$165,000
- Tacoma School District—School Based Health Care Facility—\$515,000
- Great Northern School District—HVAC installation—\$1.6 million
- South Bend School District—Madison Street School Sidewalk—\$175,000

Everett School District is also appropriated \$7.4 million in error. The funding, earmarked for Everett Memorial Stadium, will be used to rebuild a stadium for the Everett AquaSox minor league baseball team. Legislative leadership in all four Caucuses have communicated with the Department of Commerce requesting the funding be directed to the City of Everett as the grantee, as intended. It is expected the 2024 Supplemental Capital Budget will change the title of the appropriation to the “City of Everett.”

It should also be noted that the \$7.4 million appropriation (along with another \$16.6 million) for minor league baseball

stadium improvements is funded from the Youth Athletic Facility Account. The Account was established as a requirement included in the 1997 voter-approved deal to build a new Seahawks stadium. The agreement, a part of the bill and referendum necessary to adopt bonds for the new stadium, stipulated that when bonds are retired, the remaining balance in the bond account will be deposited into a new Youth Athletic Facility Account to fund grants to acquire, construct, improve and maintain youth-athletic facilities.

Advocates—including representatives of the Seahawks and Sounders—urged legislators to leave the fund intact. Unfortunately, while the House proposal would have funded baseball stadium improvements without tapping the youth athletics fund, the Senate proposal—and the final, negotiated Budget—funds the stadiums with these funds. To authorize this additional purpose, the 2023–25 Capital Budget includes an amendment to current law which states, during the 2023–25 biennium, the Legislature “may appropriate moneys in the Youth Athletic Facility Account” to support “the Public Facility Improvement Fund” (which provides revenues for the stadium upgrades).

The Capital Budget does provide additional revenue to the Recreation and Conservation Office, which oversees the Youth Athletic Facility Account; however, it is unclear if those revenues will be used for athletic facilities for youth, or for other priorities of the Office. The Budget provides no direction.

**Chief Leschi School.** \$25.0 million is provided (\$10.0 million, via the Climate Commitment Account; \$15.0 million, via the State Building Construction Account) to Chief Leschi School for the first phase of a heating, ventilation, and air-conditioning project.

**Energy Retrofits and Solar Power for Public Buildings.** \$50.0 million (from the Climate Commitment Account) is provided to the Department of Commerce for energy retrofits and solar power installation in public buildings. Funding is to be dispersed as follows:

- \$22.5 million is provided for grants to local governments, public higher education institutions, school districts, tribal governments, and state agencies for improvements to facilities and related projects that result in energy and operational cost savings. In each competitive round, a higher energy savings to investment ratio will result in a higher project ranking. Priority consideration must be given to applicants that have not received grant awards for this purpose in prior biennia.
- \$22.5 million is provided for grants to local governments, public higher education institutions, school districts, tribal governments, and state agencies for projects that involve the purchase and installation of solar energy systems, including solar modules and inverters. Again, in each competitive



round, a higher energy savings to investment ratio will result in a higher project ranking. Priority consideration must be given to applicants that have not received grant awards for this purpose in prior biennia.

- Another \$5.0 million is provided for the energy efficiency and environmental performance improvements to minor works, stand-alone, and emergency projects at facilities owned by agencies that repair or replace existing building systems and reduce greenhouse gas emissions from state operations.

**Clean Energy Workgroup.** \$500,000 is provided to the Department of Commerce to convene a workgroup regarding state energy performance standards. The Workgroup is comprised of representatives from multiple state agencies and stakeholder groups, including one representative from OSPI and one representative from the Washington Association of Maintenance & Operations Administrators (WAMOA).

The Workgroup is required to:

- Analyze the financial investments required for owners of Tier 1 covered buildings to comply with the state energy performance standard under current law (RCW 19.27A.210) and report to the Legislature by December 15, 2023; and
- Submit a report with recommendations to the Legislature by September 1, 2024.

Recommendations from the Workgroup must include:

- Identifying energy efficiency investments or other strategies and related timelines for increasing energy efficiency in the buildings sector;
- Providing a cost-benefit analysis of options, including energy efficiency, to meet the goal of reducing greenhouse gas emissions from the buildings sector; and
- Recommendations to balance financial investments while maximizing clean energy benefits for the state, including statutory changes that may be necessary for this purpose.

**VETO: Building Code Cycle.** \$250,000 is provided to the Washington State Institute for Public Policy (via The Evergreen State College) to study and report the costs and benefits to public construction projects of transitioning from a three-year building code cycle to a six-year cycle. The Institute is required to report to the Legislature by July 1, 2024 with an analysis of: the impact to the state's Operating, Transportation, and Capital Budgets of transitioning to a six-year building code cycle; the impact to local government and school district budgets of transitioning to a six-year building code cycle; and the State Building Code Council's staffing needs using a three-year code cycle versus a six-year code cycle.

Prior to signing the Capital Budget, Governor Inslee vetoed this section. He argued that "Increasing the time between code updates will impact the ability to apply the newest and best technologies for safety, health, and efficiency to new construction in Washington. In addition, changing our state's code cycle to every six years will jeopardize the Legislature's mandate to reduce energy use 70 percent by 2031." He further noted that "Limiting the code cycles between now and 2031 would require a greater amount of change at each code cycle, increasing challenges for designers, builders and building owners."

**Capital Projects Funds.** Current law stipulates the specific, limited purposes which school districts are allowed to fund using money deposited in their Capital Projects Funds from sources other than the sale of bonds, proceeds of capital levies, certain state apportionment proceeds, earnings from Capital Projects Fund investments, state forest revenues, and rental and lease proceeds.

During the 2023–25 biennium, the Capital Budget amends current law and allows school districts to use money in their Capital Projects Funds, not attributable to capital levies, for a series of additional expenditures: moving of equipment and furniture between buildings and warehouses for storage, moving of the content of teachers' classrooms between buildings, and furniture purchases, when these costs are due to the following activities: construction, remodeling, replacement, temporary placement, consolidation, or directed transfer.

# Education-Related Bills That Passed—Titles

During the 2023 Legislative Session, almost 1,700 bills, resolutions, and memorials were introduced. Of those, 475 were adopted by the Legislature; however, the governor vetoed two of them, leaving a total of 473 bills becoming law. WASA actively tracked over 500 pieces of legislation that had a direct or potentially indirect impacts on K–12 education. Ultimately, 66 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 (this is where the bill will be found in the [Session Laws of the State of Washington](#) which is compiled annually). \*

SHB 1007.....Retirement/military service	HB 1536.....Withholding high school diplomas
HB 1008.....Benefits/Plan 2 retirees	2SHB 1550.....Transition to Kindergarten
2SHB 1009.....Military spouse employment	HB 1622.....Students/homelessness
2SHB 1013.....Regional apprenticeship programs	HB 1624.....ESD elections
SHB 1015.....Paraeducator requirements	HB 1656.....Unemployment appeals
HB 1020.....State dinosaur	SHB 1658.....Work experience credit
ESHB 1048.....Voting Rights Act	HB 1679.....Homelessness work group
SHB 1056.....Postretirement employment	SHB 1701.....Institutional Education programs
SHB 1068.....Injured workers’ rights	ESHB 1744.....Charter school oversight
EHB 1086.....Community organizations contracts	SHB 1756.....Clean energy tax changes
ESHB 1106.....Unemployment/voluntary leave	ESHB 1853.....Transportation resources
EHB 1125.....2023–25 Transportation Budget	SB 5000.....Chinese Americans
E2SHB 1134.....National Suicide Hotline (988)	2SSB 5048.....College in High School fees
ESHB 1148.....Capital construction bonds	SB 5065.....Bone marrow donation
ESHB 1187.....Employee-union privilege	E2SSB 5072.....Highly Capable program
SHB 1200.....Employee information/unions	SB 5084.....Self-insurance fund
SHB 1207.....HIB and discrimination	ESSB 5123.....Employment/cannabis
EHB 1210.....School board recordings	SSB 5127.....Redacting student information
HB 1230.....Department of Health information	ESB 5175.....School principal contracts
E2SHB 1238.....Free school meals	ESSB 5187.....2023–25 Operating Budget
HB 1308.....Graduation pathway options	ESSB 5200.....2023–25 Capital Budget
2SHB 1316.....Dual credit access	ESSB 5217.....Ergonomics regulation
SHB 1346.....Purple Star award	E2SSB 5243.....High School and Beyond Plans
ESHB 1436.....Special education funding	ESSB 5257.....School recess
2SHB 1491.....Employee personal vehicles	SSB 5275.....Access to SEBB benefits
SHB 1521.....Self-insured employers	ESSB 5294.....Retirement system funding
HB 1527.....Tax increment financing	2SSB 5268.....Public works procurement
ESHB 1533.....Employee information disclosure	E2SSB 5315.....Special education/nonpublic agencies

SB 5350.....	PERS/TRS 1 benefit increase
ESB 5355 .....	Sex trafficking education
ESSB 5365 .....	Vapor and tobacco/minors
SB 5403.....	School depreciation subfund
SB 5452.....	Impact fees use
E2SSB 5582 .....	Nurse supply
SSB 5586 .....	Paid leave data
2SSB 5593 .....	Student data transfer
SSB 5617 .....	Skills Center course equivalencies
ESB 5650 .....	K–12 inflationary increases

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

# Education-Related Bills That Passed

## **SHB 1007—Retirement/military service**

Representative Paul

**C18 L23**

The state provides certain benefits to people based on their status as a military service veteran. A separate status is recognized for veterans who served in a period of war or conflict. Such combat veterans are eligible to receive additional benefits, including, but not limited to: reduced or no-cost service credit for retirement pension purposes, higher scoring preference on civil service exams, participation in a designated shared leave pool program, and property tax relief for senior widows and widowers of veterans.

Members of the state's retirement systems who leave employment to enter the armed forces of the United States may be eligible for interruptive military service credit. Interruptive military service credit applies to all Washington state retirement systems, and for some purposes is required by federal law. A member qualifies for this benefit when a leave of absence is taken from a Department of Retirement System covered position to serve in the United States military. When this occurs, membership in the retirement system is considered to be interrupted.

To qualify for no-cost interruptive military service credit, the member must meet the definition of veteran in statute. The statute limits veterans to persons serving during a period of war in certain listed conflicts or those awarded a campaign badge or medal in any conflict.

The Department of Defense (DOD) awards medals or badges to service members who served during a specified conflict, and were stationed in a designated war zone as follows:

- Campaign medals, as defined by the DOD, are medals which recognize service members who are deployed to the geographic area where the combat is actually occurring.
- Members awarded campaign medals have the highest degree of personal risk and hardship as they are conducting the combat operations and are deployed to the area where the combat is actually occurring.
- Expeditionary medals, as defined by the DOD, are medals which recognize deployed participation in small scale and/or short-duration combat operations or military operations where there is an imminent threat of hostilities.
- Expeditionary medals are awarded to members deployed in support of combat operations, but who are not in the geographic area where the actual combat is occurring.
- Expeditionary medals are associated with high levels of personal risk and hardship.

SHB 1007 expands the definition of veteran for veterans' benefits in state pension systems, legal assistance, scoring criteria on civil service exams, and other programs, to include any armed conflicts where an expeditionary medal was awarded. The bill specifies that the amended definition of veteran applies retroactively for members who retired prior to the effective date of the act.

## **HB 1008—Benefits/Plan 2 retirees**

Representative Bronoske

**C164 L23**

Currently, the state Health Care Authority (HCA), provides medical benefits for retired employees of the state and participating local governments through the Public Employees' Benefits Board (PEBB). School employees covered by the provisions of the School Employees' Benefits Board (SEBB) are also covered by the PEBB program as retirees.

Under current law, members of most state retirement Plans 2 may continue state employee health insurance coverage when they separate from service only if they also begin to collect their pension benefits at that time. Early retirement in the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS), begins at age 55 with 20 years of service.

Members of Plan 3 of the PERS, TRS, and SERS may elect to retain their state employee health insurance upon separation from state employment, regardless of whether they choose to retire from their plan and collect benefits at that time. To be eligible for continued coverage, a separated member of Plan 3 must have at least ten years of service and be at least 55 years of age. Employees choosing to continue coverage as retirees are responsible for paying the full cost of their insurance premiums unless they are eligible for Medicare, in which case they qualify for a subsidy provided by the Legislature.

HB 1008 allows individuals who separate from positions covered by PEBB or SEBB, and the Public Employees', School Employees', and Teachers' Retirement System Plans 2, but do not retire, to participate in the retiree benefits of PEBB. To be eligible, members must have separated from service on or after January 1, 2024, and either enroll or defer coverage no later than 60 days after employee coverage ends.

## **2SHB 1009—Military spouse employment**

Representative Leavitt

**C165 L23**

Washington regulates a variety of businesses and professions and has a comprehensive regulatory framework which establishes licensing requirements for many types of businesses and professions in the state. 2SHB 1009 makes



a series of changes regarding the employment of military spouses, including a streamlined and expedited process to become licensed for various professions in the state. Included is a process for military spouses with teacher licenses from other states.

While 2SHB 1009 comprehensively address the licensure of military spouses, this summary will focus on teacher certification. Under provisions of the bill, the Professional Educator Standards Board (PESB) must issue a temporary license to a qualified military spouse within 30 days of receipt of a completed application. A completed application includes a copy of a certificate issued by another state for a certificated education professional, related application fees, fingerprints, and required documentation associated with a criminal background check. A temporary license must be valid for a period of no less than 180 days.

The PESB must:

- Identify a contact or coordinator within the Board to assist military spouse applicants and licensees; and
- Provide training to each board member on the culture of military spouses, the military spouse experience, and issues related to military spouse career paths by January 1, 2024, or within 90 days of appointment.

The Department of Veterans Affairs (DVA) is required to create an internet-based training that may be used by each agency/authority, including the PESB, to satisfy the training requirement.

In addition, the PESB is encouraged to:

- Appoint a military spouse to serve on its licensing board;
- Conduct a review of the licensing application process for military spouses and identify barriers to military spouse employment; and
- Review licensing fees and related expenses and identify possible ways to reduce costs for military spouses.

The PESB is required to establish a military spouse assistance web page, which must contain:

- The Board's rules and procedures, including any required fees, related to the licensing of military spouses;
- Contact information for the Board's military spouse contact or coordinator; and
- Links to the military spouse assistance web pages of other agencies.

A direct link to the Board's military spouse assistance web page must be displayed on PESB's home page.

The bill requires the Department of Veterans Affairs, the Employment Security Department, and the Department of Commerce to consult local chambers of commerce,

associate development organizations, and businesses to initiate a demonstration campaign to increase military spouse employment. This campaign may include partnerships with chambers of commerce that result in business owners sharing, with the local chamber of commerce, information on the number of military spouses employed and the local chambers of commerce providing this information to the DVA.

2SHB 1009 specifically authorizes a military spouse to terminate an employment contract without penalty at any time after the service member receives orders for a permanent change of station, if the spouse provides written notice to the employer of the termination. The military spouse also must provide written proof of the official orders showing that the service member has received orders for a permanent change of station. Termination of the employment contract is effective on the day written notice is given or on a date mutually agreed to by the parties to the employment contract.

The bill also requires PESB to report on their efforts to implement legislation modifying professional licensing procedures for military spouses:

- Beginning in 2024, in an annual report to the Legislature; and
- Annually before the Joint Committee on Veterans' and Military Affairs.

NOTE: The 2023–25 Operating Budget provides the Professional Educator Standards Board with \$305,000 to implement this bill. Additional funding is also provided to the Department of Health (\$158,000) and to the Department of Licensing (\$256,000).

## **2SHB 1013—Regional apprenticeship programs**

Representative Maycumber

### **C128 L23**

In 2018, OSPI, in consultation with the Employment Security Department and the Workforce Training and Education Coordinating Board, convened a 10-person 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 Advisory Committee was charged with numerous duties, including:

- Reviewing certain instructional programs and analyzing barriers to statewide adoption of work-integrated and career-related learning opportunities and instructional programs; and
- Recommending policies to implement work-integrated and career-related strategies that increase students' college and career readiness.

2SHB 1013 requires OSPI and the nine ESDs to establish the Regional Apprenticeship Preparation Pilot Program. The purpose of the Pilot is to identify common best practices and processes for establishing regional apprenticeship preparation programs that support postsecondary success for students and strengthen community engagement in schools and school districts.

The Pilot Program must consist of five sites: three located west of the crest of the Cascade Mountains; and two located east of the crest of the Cascade Mountains. OSPI and the ESDs must ensure that the sites are geographically dispersed, with one Western Washington site located in a school district with a collaboratively developed regional apprenticeship pathways program, and a second located in a school district with a pre-apprenticeship program recognized by the Washington State Apprenticeship and Training Council after July 1, 2021, but before September 1, 2021. The Eastern Washington sites must also be geographically dispersed and at least one Eastern Washington site must be located in an ESD with rural communities that lack convenient access to Skills Centers or other workforce development facilities or programs.

In implementing the Pilot Program, ESDs must meet specified requirements, including:

- Ensuring that the Pilot Program is an education-based apprenticeship preparation program recognized by the Washington State Apprenticeship and Training Council and developed as a collaborative partnership involving specified entities;
- Providing students with dual credit opportunities to meet high school graduation requirements and earn credit toward a postsecondary degree or industry recognized credential; and
- Providing students with preferred or direct entry into an aligned state registered apprenticeship program.

Provisions establishing the Pilot Program and its requirements expire June 30, 2027.

Additionally, OSPI, in collaboration with the State Board for Community and Technical Colleges, the Washington State Apprenticeship and Training Council, the Washington Association for Career and Technical Education, and the Work-Integrated Learning Advisory Committee must evaluate the Pilot Program and best practices for increasing:

- awareness about Career and Technical Education, including participation in career and technical student organizations, dual credit opportunities, Core Plus, and Career and Technical Education course equivalencies;
- awareness about pre-apprenticeship and postsecondary career opportunities for students and employers;

- the availability and variety of dual credit and industry-related and postsecondary articulation opportunities; and
- community and industry support for pre-apprenticeships, internships, externships, and all work-integrated learning opportunities.

By June 30, 2027, OSPI is required to report the results of the evaluation to the governor, the State Board of Education, the Student Achievement Council, the Workforce Training and Education Coordinating Board, and the Legislature. The report must include:

- An analysis of barriers to the establishment and support of recognized apprenticeship preparation programs and work-integrated instructional programs;
- Recommended policies to implement recognized apprenticeship preparation programs and work-integrated strategies that increase the college and career readiness of students statewide; and
- Recommendations for legislative action to establish common standards for the operations of regional apprenticeship preparation programs and other work-integrated learning opportunities and authorize additional regional apprenticeship preparation programs and other work-integrated learning opportunities.

The report may also include recommendations for actions to improve the cohesion, coordination, and quality of work-integrated learning opportunities, including regional apprenticeship preparation programs, throughout the state.

The expiration date for provisions establishing the Work-Integrated Learning Advisory Committee and directing its duties is extended to June 30, 2027.

NOTE: The final 2023–25 Operating Budget provides funding to the Department of Labor & Industries (\$507,000) and OSPI (\$4.1 million) to implement 2SHB 1013. \$2.0 million of the OSPI appropriation is provided solely for the Marysville School District to collaborate with Arlington School District, Everett Community College, other local school districts, local labor unions, local apprenticeship programs registered with the Washington State Apprenticeship and Training Council, and local industry groups to continue the Regional Apprenticeship Pathways Program.

### **SHB 1015—Paraeducator requirements**

Representative Santos, by request of Professional Educator Standards Board

#### **C19 L23**

Federal law generally requires paraeducators who work in programs supported by federal funds to meet the specific employment requirements. Paraeducators must:

1. Have a high school diploma or its equivalent; and
2. Either:
  - Have completed at least two years of study at an institution of higher education;
  - Hold an associate's or higher degree; or
  - Meet a rigorous standard of quality, and can demonstrate, through a formal state or local academic assessment, knowledge of, and the ability to assist in instructing in reading, writing, and mathematics.

State law requires all paraeducators to meet specific employment requirements. Paraeducators must:

1. Be at least 18 years of age;
2. Have a high school diploma or its equivalent; and
3. Either:
  - Have earned 72 quarter credits or 48 semester credits at an institution of higher education;
  - Hold an Associate of Arts degree;
  - Have received a passing grade on the Education Testing Service (ETS) paraeducator assessment; or
  - Have completed a registered apprenticeship program.

Current law limits the options for a paraeducator assessment to the ParaPro assessment provided by Educational Testing Services (ETS). ETS, however, is phasing out the provision of the assessment at testing centers to only four testing locations in Washington. The limiting of testing sites is expected to be a hardship for many paraeducators, which motivated the Professional Educator Standards Board to request this bill, which ensures other options are available.

As adopted, SHB 1015 requires the Paraeducator Board to adopt one or more assessments that meet a rigorous standard of quality and can be used to demonstrate knowledge of, and the ability to assist in, instruction in reading, writing, and mathematics, as well as set a passing score for each assessment adopted. The Paraeducator Board is allowed to develop assessments to meet this requirement.

The bill also revises minimum employment requirements for paraeducators, specifying that a paraeducator must have received a passing score on one of the assessments approved by the Paraeducator Board, rather than have received a passing grade on the Education Testing Service paraeducator assessment.

#### **HB 1020—State dinosaur**

Representative Morgan

#### **C330 L23**

In 2012, a fossil, nicknamed “Suciasaurus rex,” was discovered in San Juan County; this was the first (and currently

only) dinosaur discovered in Washington state. In 2019, a group of fourth graders at Elmhurst Elementary in the Franklin Pierce School District submitted a petition requesting the Legislature to make the *Suciasaurus rex* Washington's state dinosaur. Used as a “real world” civic engagement exercise, legislation was introduced in the 2019, 2020, 2021, and 2022 sessions, but failed to be adopted.

On the fifth attempt in the 2023 session, the bill was adopted by the Legislature and signed by the governor. HB 1020 designates the *Suciasaurus rex* as the official dinosaur of the state of Washington.

#### **ESHB 1048—Voting Rights Act**

Representative Mena

#### **C56 L23**

The Federal Voting Rights Act of 1965 (VRA) prohibits racial discrimination in state and local elections in order to enforce the provisions of the Fifteenth Amendment to the United States Constitution. Under the federal law, any voting practice or procedure that results in the denial or abridgment of the right to vote on account of race, color, or language-minority status is prohibited. Additionally, intentional discrimination based on race or color and practices that have the effect of impairing the ability of members of a racial group to participate equally in the nomination and election of candidates is prohibited.

In 2018, the Legislature adopted a state-level Washington Voting Rights Act (WVRA) to compliment the federal law. State law regulates elections in political subdivisions—specifically, counties, cities, towns, school districts, fire protection districts, port districts, and public utility districts. A violation of the WVRA is established when a political subdivision's elections exhibit polarized voting and there is a significant risk that members of a protected class do not have an equal opportunity to elect candidates of choice as a result of dilution or abridgement of their rights.

Any voter who resides in a political subdivision may challenge its electoral system by filing a notice of intent. The political subdivision has 90 days to adopt a remedy to the alleged violation; if it does not, the challenger may sue. To determine whether voting is polarized, the court assesses the elections pragmatically based on local election conditions. The court may consider factors such as a history of discrimination or the use of racial appeals in political campaigns. If a violation is found, the court may order appropriate remedies, including requiring the political subdivision to redistrict or create a district-based election system. The court may award attorneys' fees and costs to a prevailing plaintiff. Prevailing defendants may be awarded certain costs, but not attorneys' fees. No fees or costs may be awarded if no lawsuit is filed.

Political subdivisions may take corrective action to change election systems in order to remedy a potential violation of the WVRA, including through implementation of a district-based election system. If corrective action is taken in response to a



notice of intent to challenge, the political subdivision must obtain a court order certifying that the remedy complies with the WVRA and was prompted by a plausible violation. Courts apply a rebuttable presumption against adopting a political subdivision's proposed remedy.

If the court approves the remedy, it may not be challenged by a lawsuit for at least four years.

ESHB 1048 enhances the 2018 law in multiple areas:

- **Standing Under the Washington Voting Rights Act.** The new law stipulates an organization whose roster of members and volunteers includes a voter who resides in the political subdivision is given the ability to challenge the political subdivision's electoral system. This includes a tribe that is located at least in part of the political subdivision. These changes may not be interpreted to relieve a party of the requirement to establish standing as provided in Washington case law when filing a lawsuit under the WVRA. Language is added to clarify that a class of citizens protected by the WVRA may include a cohesive coalition of members of different racial, ethnic, or language-minority groups.
- **Establishing a Violation.** Language is added to specify that no single factor is dispositive or necessary to establish a violation of the WVRA. Language is added to specify that the parties may stipulate a violation of the WVRA.
- **Remedies for Violations.** In tailoring a remedy, the court may not give deference to a proposed remedy solely because it was proposed by the political subdivision and the court may not approve a remedy that violates the WVRA. A court is not required to consider explanations for why polarized voting exists in determining whether it exists. Counties are authorized to increase the number of commissioners in order to prevent a violation of the WVRA against members of an Indian tribe.
- **Cost Recovery.** A person or organization who files a notice of intent to challenge an election system under the WVRA may recover certain costs if the notice causes the political subdivision to adopt a remedy that is approved by the court. The request must include financial documentation and be filed within 30 days of the adoption of the new electoral system. The political subdivision must reimburse the costs incurred in conducting the research necessary to send the notice, up to \$50,000, within 60 days.

A person or organization may recover attorneys' fees and costs even if they do not achieve court relief or a favorable judgment if the lawsuit altered the political subdivision's behavior to correct a claimed harm.

A person or organization who prevails in a WVRA lawsuit may recover reasonable fees and costs incurred before filing the action.

- **Right to Vote Construed Liberally.** State and local laws related to the right to vote must be construed liberally in favor of protecting the right to vote and ensuring that all voters have equitable access to register and participate in elections.

ESHB 1048 also contains a severability clause (which means the law's individual parts or provisions can be invalidated without invalidating the entire law).

### SHB 1056—Postretirement employment

Representative Stokesbary, by request of Select Committee on Pension Policy

#### C410 L23

Retirees from the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) may generally receive their pensions while employed by a retirement system employer for up to 867 hours per year. Employees who retired under the 2008 Early Retirement Factors (ERF), however, are generally prohibited from receiving retirement allowances while in any compensated arrangements with retirement system employers. In 2016, the Legislature temporarily removed the benefit restrictions related to some reemployment of TRS Plans 2 and 3 retirees that utilized the 2008 Early Retirement Factors, and in 2019 removed the expiration of the provision and added SERS Plans 2 and 3.

In 2022, the Legislature further extended the exceptions to the 2008 ERF restrictions and increased the hours that PERS, TRS, and SERS retirees could work in specific circumstances in schools to 1,040 hours per year until 2025, at which time the TRS and SERS limits for 2008 ERF retirees return to 867 hours under the 2019 rules, and the PERS limit returns to the original limit of no retirement benefits while working for a retirement system employer until age 65.

SHB 1056 repeals some of the postretirement employment restrictions. The bill allows PERS, TRS, and SERS Plans 2 and 3 retirees—including administrators—that retired under

the 2008 ERF to be employed with a retirement system employer for up to 867 hours per year without suspension of retirement benefits.

Additionally, the bill's intent section notes that some employees were offered and accepted a choice of lower early retirement benefits without the work-related benefit restrictions that are now being removed from those that chose higher benefits. To ensure those employees are not penalized for their choice after the employment-related benefit restrictions are removed, the bill adjusts benefits for individuals that chose the three percent per year early retirement reduction to the level of reduction in the 2008 ERFs for future benefit payments.

NOTE: The final 2023–25 Operating Budget provides the Department of Retirement Services with \$1.1 million to implement the provisions of SHB 1056. Additional proviso



language notes that an increase of 0.01 percent for school district and state employer contributions is funded for TRS to implement the bill.

SHB 1056 is effective January 1, 2024.

### **SHB 1068—Injured workers’ rights**

Representative Bronoske

#### **C166 L23**

In the workers’ compensation system, an employer’s claim manager may request that an injured worker submit to a medical examination, which is typically referred to as an independent medical exam (IME). The purpose of an IME is to: (1) determine whether to allow or re-open a claim; (2) resolve a new medical issue, an appeal, or case progress; or (3) evaluate the worker’s permanent disability or work restriction.

The examinations are performed by medical providers approved by the Department of Labor & Industries. The IME provider must submit written reports of the examination to the worker, the worker’s attending physician, and the person ordering the examination. Generally, information contained in claim files and records of injured workers are confidential and are not subject to public inspection.

Current Department of Labor & Industries rules prohibit a worker from recording the examination. The rules allow a worker to bring an adult friend or family member to “provide comfort and reassurance” in physical examinations; however, the worker may not bring a third person in during psychiatric examinations. The person accompanying the worker must not be compensated for attending the examination and may not be the worker’s health provider involved in the worker’s care or the worker’s legal representative or other personnel employed by the worker’s legal representative.

SHB 1068 specifically states a worker has a right to audio and video record independent medical examinations. No less than seven calendar days before the date of the examination, the worker or worker’s representative must notify the scheduling entity that the examination will be recorded. The Department of Labor & Industries must adopt rules defining the notification process.

The worker is responsible for paying the costs of recording. If requested, the worker must provide a copy of the recording to the Department of Labor & Industries or self-insured employer within 14 days of the request, but not prior to the issuance of the written report of the examination.

The worker must take reasonable steps to ensure the recording equipment does not interfere with the examination. The worker may not hold the recording equipment while the examination is occurring. The worker may not materially alter the recording, and benefits received as a result of any material alteration to the recording may be subject to repayment of those benefits.

Recordings are considered confidential as provided under the

existing confidentiality statute and the worker is prohibited from posting the recording to social media.

The worker has a right to have one person present to observe the examination. The observer must be at least 18 years old and must be unobtrusive and not interfere with the examination. In addition, the third person observer may not be the worker’s legal representative or an employee of the legal representative, or the worker’s attending provider or an employee of the attending provider.

### **EHB 1086—Community organizations contracts**

Representative Shavers

#### **C238 L23**

In general, public works contracts in Washington are subject to competitive bidding. In some circumstances, however, projects are exempt from competitive bidding requirements. One exemption allows counties, cities, school districts, park districts, or port districts to contract with community service organizations for certain local improvement projects.

In order to qualify for this exemption, the community service organization must be a chamber of commerce, service organization, youth or sports association, or other similar association located in, and providing service to, its immediate neighborhood. The work must involve drawing design plans; making improvements to a park, school playground, public square, or port habitat site; installing equipment or art; or providing maintenance services as a community, neighborhood, or environmental stewardship project. The community service organization may use volunteers for the project, and may provide clothing, tools, meals, insurance coverage, and reimbursement of the volunteers’ expenses. The local government may reimburse the community service organizations for its expenses, but the value of the work must be at least three times as much as the payment to the community service organization.

The yearly total payments made to community service organizations under this exemption cannot exceed the greater of \$25,000 or \$2 per resident in the local government’s jurisdiction. The \$25,000 limit is therefore applicable to a local government with fewer than 12,500 residents within its jurisdiction.

EHB 1086 is intended to increase local governments’ ability to contract with community service organizations. Under provisions of the bill, a contract that is exempt from competitive bidding requirements between a local government and a community service organization may also include improvements to a general public space (in addition to improvements to a park, school playground, public square, or port habitat site). The maintenance services that can be included in such a contract are those related to the community service project, to a facility or facilities as part of a community or neighborhood project, or for an environmental justice stewardship or sustainability project.

When working on a project, the community service organization may use volunteers that are not paid a wage or salary.

The value of the work to the local government must be at least twice the amount paid to the community service organization. The total yearly payments made by a local government to all community service organizations under the competitive bidding exemption cannot exceed the greater of \$75,000 or \$2 per resident in the local government's jurisdiction (rather than \$25,000 per resident). The \$75,000 limit is therefore applicable to a local government with fewer than 37,500 residents within its jurisdiction.

### **ESHB 1106—Unemployment/voluntary leave**

Representative Fosse

#### **C240 L23**

The unemployment insurance system, administered by the Employment Security Department, is designed to provide partial wage replacement for unemployed workers. Eligible unemployed workers receive benefits based on their earnings in their base year, which is typically the first four of the last five completed calendar quarters. A person who is seeking benefits, referred to as a "claimant," is eligible if he or she:

- Worked at least 680 hours in the base year;
- Voluntarily quit for good cause or was otherwise separated from employment through no fault of his or her own; and
- Is available to work and is actively searching for work.

Under current law, a claimant may voluntarily quit and maintain eligibility for benefits only under one of the following permitted "good cause" circumstances, also referred to as "voluntary quits":

- The claimant has left work to accept a bona fide offer of bona fide work;
- The separation was necessary because of the illness or disability of the claimant or the death, illness, or disability of a member of the claimant's immediate family under specific circumstances;
- The claimant: (A) Left work to relocate for the employment of a spouse or domestic partner that is outside the existing labor market area; and (B) remained employed as long as was reasonable prior to the move;
- The separation was necessary to protect the claimant or the claimant's immediate family members from domestic violence, or stalking
- The claimant's usual compensation was reduced by twenty-five percent or more;
- The claimant's usual hours were reduced by twenty-five percent or more;

- The claimant's worksite changed, such change caused a material increase in distance or difficulty of travel, and, after the change, the commute was greater than is customary for workers in the claimant's job classification and labor market;
- The claimant's worksite safety deteriorated, the claimant reported such safety deterioration to the employer, and the employer failed to correct the hazards within a reasonable period of time;
- The claimant left work because of illegal activities in the claimant's worksite, the claimant reported such activities to the employer, and the employer failed to end such activities within a reasonable period of time;
- The claimant's usual work was changed to work that violates the claimant's religious convictions or sincere moral beliefs; or
- The claimant left work to enter an apprenticeship program approved by the Washington State Apprenticeship Training Council.

ESHB 1106 establishes additional circumstances and modifications where a person may voluntarily quit for good cause: Death, Illness, Disability, or Care Access; Involuntary Shift Changes; and Relocating to Follow Minor Child—as described below.

**Death, Illness, Disability, or Care Access.** The voluntary quit pertaining to death, illness, or disability is expanded. Beginning September 3, 2023, a claimant has good cause and is not disqualified from benefits when separation from employment was necessary because of the death, illness, or disability of a family member (rather than immediate family only).

A temporary voluntary quit is established pertaining to care inaccessibility. Beginning July 7, 2024, through July 8, 2029, a claimant has good cause and is not disqualified from benefits when separation from employment was necessary because the person was unable to access care for a child or a vulnerable adult. These benefits are not directly charged to contribution-paying employers, meaning the costs are socialized and evenly shared by all employers participating in the UI system.

The eligibility criteria for accessing benefits due to a death, illness, or disability are modified, and are also applied to the circumstance involving care inaccessibility. In either circumstance, the claimant must have:

- Made reasonable efforts to preserve the claimant's employment status by requesting changes in working conditions or work schedule that would accommodate the death, illness, disability, or care inaccessibility, or by requesting a leave of absence, promptly notifying the employer of the reason for the absence, and promptly requesting reemployment when again able to assume employment; and

- Terminated his or her employment status, and he or she is not entitled to be reinstated to the same position or a comparable or similar position.

The Employment Security Department must submit a report to the Legislature by November 1, 2028, on the voluntary quit pertaining to care inaccessibility, including details on the number of claims, the impact on the trust fund and employer experience ratings, and other related trends.

**Involuntary Shift Changes.** Beginning July 7, 2024, a claimant has good cause and is not disqualified from benefits when he or she had a regularly scheduled shift or split shift start or end time for the prior 90 calendar days, and the employer, without request by the person and not based on a system of seniority, changes the regularly scheduled shift or split shift start or end time by six or more hours for that shift on a non-temporary basis.

**Relocating to Follow Minor Child.** Beginning July 7, 2024, a claimant has good cause and is not disqualified from benefits when he or she: (1) left work to relocate in order to follow a minor child who moved outside of his or her labor market; (2) remained employed as long as was reasonable prior to relocating; and (3) had parental rights over the minor child at the time of the job separation. These benefits are not directly charged to contribution-paying employers, meaning the costs are socialized and evenly shared by all employers participating in the UI system.

#### **EHB 1125—2023–25 Transportation Budget**

Representative Fey, request of Office of Financial Management  
**C472 L23—Partial Veto**

This is the 2023–25 Transportation Budget. The bill provides appropriations for state transportation agencies, road projects, and programs. Other than the positive, indirect impact provided by safe roads, K–12 education is not greatly affected by this budget. As usual, however, there is some funding for education-related issues:

- \$70.9 million is provided for Safe Routes to School projects. (The 2023 Supplemental Transportation Budget provides an additional \$6.7 million provided by the Climate Active Transportation Account for newly selected Safe Routes to School grants.) Proviso language requires the Department of Transportation to submit a report to the Legislature by December 1, 2023, and December 1, 2024, on the status of projects funded as part of the Pedestrian Safety/Safe Routes to School grant program.
- In last year's 2022 Supplemental Transportation Budget, \$12.6 million was set aside for a SR 3 Freight Corridor project to "safeguard against inflation and supply/labor interruptions" to ensure the project continues (funding, however, was reduced to \$2.8 million in the 2023 Supplemental Transportation Budget). Included in the project is funding for safety improvements to provide connections to North Mason School District and provide safe routes to schools.

The 2023–25 Transportation Budget provides an enhancement of \$32.7 million for the project (with an intention to provide a total of \$78.0 million, plus an increase of \$12.0 million in future biennia). Proviso language reiterates funding "remains in the project" to provide connections to North Mason School District and provide safe routes to schools.

- \$855,000 is provided for Washington state ferries to provide to Seattle Central Community College for a pilot with the Seattle Maritime Academy for the 2023–25 biennium. Proviso language states, "funding may not be expended until Washington state ferries certifies to the Office of Financial Management that a memorandum of agreement with Seattle Central Community College has been executed, and the Office of Financial Management determines that funds provided are utilized for programs that are a benefit to the Washington state ferries or the prospective workforce pipeline of the Washington state ferries." The memorandum of agreement with Seattle Central Community College must address, among other things: "development of a joint recruitment plan with Seattle Central Community College aimed at increasing enrollment of women and people of color, with specific strategies to recruit existing community and technical college students, Maritime Skills Center students, high school students from maritime programs, including Maritime Skills Center students, foster care graduates, and former juvenile rehabilitation and adult incarcerated individuals."
- \$265,000 is provided to the Department of Licensing to provide an interagency transfer to the Washington Center for Deaf and Hard of Hearing Youth, in consultation with OSPI, to fund the cost of interpreters for driver training education for deaf and hard of hearing youth to enable them to access driver training education at the same cost as their peers, and to pilot a sustainable driver training education program to determine how best to meet the driver training education needs of deaf and hard of hearing youth in the state in the future. A report, due to the Legislature by March 1, 2024, must provide recommendations for a permanent program to make driver education equitably accessible for deaf and hard of hearing students.

#### **E2SHB 1134—National Suicide Hotline (988)**

Representative Orwall  
**C454 L23**

In October 2020, Congress passed the National Suicide Hotline Designation Act of 2020 to designate the number 988 as the universal telephone number within the United States for the purpose of accessing the National Suicide Prevention and Mental Health Crisis Hotline system that is maintained by the National Suicide Prevention Lifeline and the Veterans Crisis Line.



In 2021, the Legislature adopted HB 1477 to establish several changes to Washington’s behavioral health crisis system in response to the adoption of 988 as the phone number for the National Suicide Prevention and Mental Health Crisis Hotline. The bill established crisis call center hubs to provide crisis intervention services, case management, referrals, and connection to crisis system participants beginning July 1, 2024.

E2SHB 1134 makes several changes to Washington’s implementation of the 988 system. Specifically related to school districts, the bill requires the Department of Health to develop informational materials and a social media campaign related to the 988-crisis hotline, including call, text, and chat options, and other crisis hotline lines for veterans, American Indians and Alaska Natives, and other populations. The informational materials must include appropriate information for persons seeking services at behavioral health clinics and medical clinics, as well as media audiences and students at K–12 schools and higher education institutions. The Department of Health is required to make the informational materials available to behavioral health clinics, medical clinics, media, K–12 schools, higher education institutions, and other relevant settings.

NOTE: The final 2023–25 Operating Budget appropriates \$60.0 million to implement E2SHB 1134. The funding is distributed as follows:

- \$300,000 is provided to the Office of Financial Management for a Behavioral Health Crisis Systems Coordinator;
- \$50.2 million is provided to the Health Care Authority. \$5.7 million of the appropriation will be used to implement changes to the behavioral health crisis response system, including funding to provide grants to new or existing mobile rapid response teams and to community-based crisis teams to support efforts for meeting the standards and criteria for receiving an endorsement pursuant to provisions of the bill. In addition, funding will support staffing and actuarial costs in implementing provisions of the bill. \$44.5 million of the appropriation will be used to expand and enhance regional crisis services. Beginning in FY 2025, the Legislature intends to direct amounts to be used for performance payments to mobile rapid response teams and community-based crisis teams that receive endorsements pursuant the bill;
- \$9.2 million is provided to the Department of Health to support crisis call centers and designated 988 contact hubs; and
- \$280,000 in one-time funding is provided to the University of Washington to develop, through the Harborview Behavioral Health Institute, an assessment of training needs, a mapping of current and future funded crisis response providers, and a

comprehensive review of all behavioral health training required in statute and in rule.

### **ESHB 1148—Capital construction bonds**

Representative Tharinger, by request of Office of Financial Management

#### **C473 L23**

This is the bill to authorize the issuance of state General Obligation bonds to support the appropriations in the 2023–25 Capital Budget (ESSB 5200). The State Finance Committee is authorized to issue General Obligation bonds to finance up to \$4.2 billion for capital construction projects and to pay expenses incurred in the issuance and sale of the bonds.

The 2023–25 Capital Budget is supported by \$4.7 billion in General Obligation bonds, yet the State Finance Committee is only authorized to issue \$4.2 billion in bonds. The difference? ESHB 1148 also includes a one-time reappropriation reversion of \$400 million and uses \$127 million in underspending in the 2023 Supplemental Capital Budget. Making these changes increases the total projected bond capacity to \$4.8 billion. The new, two-year Capital Budget utilizes \$4.7 billion of that total, leaving \$95 million in bond capacity to help fund a 2024 Supplemental Capital Budget.

### **ESHB 1187—Employee-union privilege**

Representative Hackney

#### **C202 L23**

The judiciary has the power to compel witnesses to appear and testify in judicial proceedings so that the court will receive all relevant evidence. Common law and statutory law, however, recognize exceptions to certain communications when certain classes of relationships or communications within those relationships are deemed of such importance that they should be protected from being compelled to testify in judicial proceedings.

Washington statutory law establishes a number of these testimonial privileges, including communications between the following persons:

- Husband and wife;
- Attorney and client;
- Clergy and confessor;
- Physician and patient;
- Psychologist and client;
- Optometrist and client;
- Peer support group counselor and law enforcement officer, limited authority law enforcement officer, or firefighter;
- Sexual assault advocate and victim;
- Mental health counselor and client; and
- Alcohol or drug addiction sponsor and addiction recovery fellowship participant.



ESHB 1187 establishes a new testimonial privilege for a union representative and an employee the union represents or has represented from being examined or required to disclose any communication between an employee and union representative or between union representatives that is made in the course of union representation. Exceptions to this new privilege are established that permit examination and disclosure of such communications under the following circumstances:

- When such examination or disclosure appears necessary to prevent the commission of a crime that is likely to result in a clear, imminent risk of serious physical injury or death of a person;
- In civil or criminal actions in which the represented employee is accused of a crime or assault or battery;
- In civil or criminal actions where a union member is a party to the action, the union member may obtain a copy of any statement previously given that concerns the subject matter of the action and may elicit testimony concerning such statements; however, this right does not render them discoverable over the objection of the union member;
- In civil, criminal, or regulatory actions against the union or its affiliated, subordinate, or parent bodies or their agents; or
- When a union employee discloses information to a union representative about the employee's commission of a crime or intent to engage in criminal conduct.

The testimonial privilege does not apply to any record of communications that would otherwise be subject to disclosure under the Public Records Act. A "communication" is defined as any oral, written, or electronic communication or document containing such communication.

The testimonial privilege may not interfere with statutory mandatory reporting requirements for an employee or union representative that include when such employee or representative:

- Has reasonable cause to believe that a child has suffered abuse or neglect;
- Is a peace officer complying with reporting requirements of the Criminal Justice Training Commission; and
- Is a mandated reporter who has reason to suspect that abandonment, abuse, financial exploitation, neglect, physical or sexual assault of a vulnerable adult has occurred.

The bill provides definitions for several terms:

- "Employee" includes a person represented by a certified or recognized union regardless of whether the employee is a member of the union.

- "Union" includes any lawful organization that has as one of its primary purposes the representation of employees in their employment relations with employers.
- "Union representation" includes any action by a union on behalf of one or more employees it represents in regard to their employment relations with employers, including personnel matters, grievances, labor disputes, wages, rates of pay, hours of employment, conditions of work, or collective bargaining.
- "Union representative" includes a person authorized by a union to act for the union in regard to union representation.

The testimonial privilege from being examined or required to disclose certain communications is established for employees and representatives of any organization that represents the following employees in negotiations with employers: (1) any teacher, counselor, librarian, or department head, who is employed by any college district; (2) public employees; (3) school district educational employees; (4) faculty at a public four-year institution of higher education; (5) civil service employees; (6) ferry employees who are members of a collective bargaining unit represented by a ferry employee organization; (7) labor unions; and (8) port employees in a labor organization.

### **SHB 1200—Employee information/unions**

Representative Alvarado

#### **C203 L23**

Under the provisions of SHB 1200, certain public employers—including school districts—are required to provide employee information to the exclusive bargaining representative for each employee in a bargaining unit, if the employer has the information in the employer's records. The following information must be provided:

- The employee's name and date of hire;
- The employee's contact information, including: cellular, home, and work telephone numbers; work and the most up-to-date personal email addresses; and home address or personal mailing address; and
- Employment information, including the employee's job title, salary or rate of pay, and work site location or duty station.

Employers are required to provide the information within 21 business days from the date of hire for new employees in an appropriate bargaining unit, and every 120 business days for all employees in an appropriate bargaining unit. In addition, the employer must provide the information in an editable format. When there is a state-level representative for a bargaining unit, the employer may provide the information to the state-level representative.

The exclusive bargaining representative may use the information only for representation purposes. The act does not authorize the exclusive bargaining representative to sell or provide access to employee lists or other information for commercial purposes.

If an employer fails to comply with the requirement to provide employee information, the exclusive bargaining representative may bring a court action to enforce compliance. The court may order the employer to pay costs and reasonable attorneys' fees incurred by the exclusive bargaining representative.

These requirements do not apply to an employer specifically prohibited in its requirements as a cleared United States Department of Defense (DOD) contractor from providing employee information on those employees covered by such requirements. This exclusion does not limit the employee information the DOD contractor must provide under its duty to bargain in good faith or any other duty under collective bargaining and does not prohibit bargaining over the provision of employee information.

### **SHB 1207—HIB and discrimination**

Representative Senn

**C242 L23**

SHB 1207 requires OSPI to develop, and periodically update, model student handbook language that includes information about policies and complaint procedures related to discrimination, including sexual harassment, and addressing transgender students, and information about policies and complaint procedures related to harassment, intimidation, and bullying (HIB), as well as the overlap between the policies and complaint procedures. The model student handbook language must:

- Include a description of the services available through the Office of the Education Ombuds (OEO) and the contact information for the OEO;
- Be aligned with existing requirements in state law including laws related to discrimination, sexual harassment, HIB, and the OEO;
- Be jointly developed with WSSDA and in consultation with the OEO; and
- Be posted publicly on the OSPI's website beginning July 1, 2024.

Beginning with the 2024–25 school year, each school district must include the model student handbook language developed by OSPI in any student, parent, employee, and volunteer handbook that it or one of its schools publishes and on the school district's website, and any schools' websites. If a school district neither publishes a handbook nor maintains a website, it must provide the model student handbook language to each student, parent, employee, and volunteer at least annually.

The model student handbook language may be used to satisfy existing requirements related to informing students, parents,

and guardians about the sexual harassment policy; the HIB policy; the transgender students policy; and the OEO.

Each school district and charter school are required to designate one person as the primary contact regarding compliance with state laws prohibiting discrimination. In addition to any other duties required by law and the school policy, the primary contact must: (1) ensure that complaints of discrimination communicated to the school are promptly investigated and resolved; and (2) communicate with the primary contact regarding the policy and procedure prohibiting HIB and the primary contact regarding the school district's or charter school's policies and procedures related to transgender students.

The primary contact regarding nondiscrimination laws may serve as the primary contact regarding the HIB policy and the primary contact regarding the transgender students policy, and vice versa.

In state laws related to student discipline, the term "emergency expulsion" is replaced with the term "emergency removal." OSPI must publish a bulletin to notify school districts and public schools of this change. The Legislature's intent as described in the act must be included in the bulletin. The bulletin must also include guidance about student discipline data collection and historical data comparison. A student who was emergency expelled between September 1, 2019, and the effective date of the act may request that any reference to "emergency expulsion" in the student's education record be revised to "emergency removal."

### **EHB 1210—School board recordings**

Representative Rude

**C67 L23**

Under the provisions of EHB 1210, all regular and special meetings of a school district board of directors at which a final action is taken or formal public testimony is accepted must be audio recorded, except for executive sessions and meetings conducted in an emergency situation.

The audio recordings must include comments made by the directors and the public, if formal public testimony is accepted. Audio recordings must be kept for at least one year. It is not a violation of the Open Public Meetings Act if the school district attempts to record a meeting in good faith but, due to technological issues, a recording is not made or is unintelligible in whole or part.

Whenever possible, school districts are encouraged to make the content of school board of directors' meetings available in formats accessible to individuals who need communication assistance and in languages other than English.

A Public Records Act (PRA) request for recordings of a meeting of a school district board of directors must specify the date of each meeting requested, or a range of dates. When a school district is searching for and providing records in

response to a PRA request, the district is only required to consider whether the date of a meeting has been included in the request.

It is not a violation of the PRA if the school district is unable to provide a recording of a school district board meeting because of technical issues.

### **HB 1230—Department of Health information**

Representative Callan

#### **C173 L23**

Legislation adopted in 2021 (SHB 1373) requires public schools that maintain websites to publish on their homepage specific information about behavioral health resources, including contact information for suicide prevention organizations, and organizations specializing in depression, anxiety, or counseling for adolescents. The legislation also directed public schools to post information on social media websites used by school districts for the purpose of notifying students, families, and the public of the behavioral health resources published on their website homepages. HB 1230 expands required information that school districts must post.

HB 1230 requires the Department of Health (DOH) to post and periodically revise on its website information about substance use trends, overdose symptoms and response, and the secure storage of prescription drugs, over-the-counter medications, and firearms and ammunition. The information must be provided or otherwise made accessible to school districts, charter schools, state-tribal education compact schools, and ESDs, and must be formatted for the needs of public-school students and families.

The posted information must be in the form of a template that can be revised as necessary and that:

- Includes website addresses and telephone numbers of one or more public health agencies with applicable information;
- May include website addresses and telephone numbers of one or more private organizations with applicable information;
- Can be replicated for other health and safety topics that are germane to public schools;
- Can be easily and readily shared with schools and districts; and
- Includes format and content options that schools and

districts may use to reflect regional, demographic, and cultural differences.

Within existing resources, each school district, charter school, state-tribal education compact schools, and ESD that maintains a website must post a prominent link on their homepage, and the homepage of each school within the district, to information from DOH that addresses substance use trends, overdose symptoms and response, and the secure storage of prescription

drugs, over-the-counter medications, and firearms and ammunition.

Each school district, charter school, state-tribal education compact school, and ESD, for the purpose of informing students, families, and other persons about available health and safety resources, must also make the DOH information accessible through other internet-based communications, such as social media accounts used by the district, and through other digital and nondigital communications.

The required information postings must be made multiple times annually, no less frequently than twice each school year (ESDs must post multiple times annually, no less frequently than quarterly).

NOTE: The final 2023–25 Operating Budget provides \$124,000 to the Department of Health to post and periodically revise its website information about substance use trends, overdose symptoms and response, and the secure storage of prescription drugs, over-the-counter medications, and firearms and ammunition, as required by the bill.

### **E2SHB 1238—Free school meals**

Representative Riccelli, by request of Superintendent of Public Instruction

#### **C379 L23**

The National School Lunch Program (NSLP) and the School Breakfast Program (SBP) are child nutrition programs funded by the United States Department of Agriculture. The NSLP and the SBP are designed to promote the health and well-being of children by providing nutritionally balanced, low-cost, or no-cost meals to children each school day. The NSLP and the SBP are administered in Washington by OSPI, and both programs provide reimbursements to school districts for served meals that meet federal requirements.

Household applications submitted by families to schools are used to determine student eligibility for Free or Reduced-Price Meals. To qualify for free school meals, a student's family income must be at or below 130 percent of the federal poverty level. Students whose families have an income between 130 percent and 185 percent of the federal poverty level are eligible for reduced-price meals. Students whose families earn more than 185 percent of the federal poverty level pay full price, but the meals are federally subsidized to some extent.

The Community Eligibility Provision (CEP) of the federal Healthy, Hunger-Free Kids Act provides an alternative to household applications for Free or Reduced-Price Meals by allowing schools with high numbers of low-income students to serve free meals to all students. A school, group of schools, or school district is eligible for the CEP if at least 40 percent of its students are identified as eligible for free meals through means other than household applications. The percentage of eligible students identified without using household applications is the identified student percentage (ISP).

Each public school that has an ISP of at least 40 percent, or a lower percentage if authorized by federal law, as determined annually by each April 1, must participate in the CEP in the subsequent school year and throughout the duration of the CEP's four-year cycle.

Federal legislation adopted in 2020 and subsequently extended, allowed states, through a waiver issued by the Department of Agriculture, to provide meals at no charge to all students, regardless of family income, though the 2021–22 school year. Federal provisions authorizing states to provide meals at no charge to all students during the school year have expired.

E2SHB 1238 was introduced with the intent of providing “universal” free meals; however, over the course of the session, the bill was scaled back. Under provisions of the bill, beginning with the 2023–24 school year, school districts (including charter schools, and state-tribal education compact schools), must provide breakfast and lunch each school day to any student at a qualifying school who requests a breakfast, lunch, or both. The school districts must provide the meals at no charge to the requesting student and without consideration of the student's eligibility for a federally reimbursed Free or Reduced-Price Meal. The provided meals must be nutritiously adequate and qualify for reimbursement under the National School Lunch Program or the federal School Breakfast Program, and students are not eligible for more than one meal in a meal service period.

The obligation to provide meals at no charge to requesting students, which lapses if federal reimbursements for school breakfasts or lunches are eliminated, applies to public schools in which:

- Educational services are provided to students in any of the grades of kindergarten through grade four; and
- Thirty percent or more of the enrolled students meet federal eligibility requirements for Free or Reduced-Price Meals.

OSPI may exempt school districts from the requirements to provide meals at no charge to requesting students if the district shows good cause for not being able to comply with the requirements. Additionally, the meal provision requirements do not apply to schools participating in the Community Eligibility Provision that have not completed the duration of the CEP's four-year cycle.

The new meal provision requirements are phased in over a two-year period. Beginning in the 2023–24 school year, schools in which 40 percent or more of their enrolled students meet federal requirements for Free or Reduced-Price Meals must begin providing the meals at no charge to students. Beginning in the 2024–25 school year, the meal provision requirements apply to qualifying schools in which 30 percent or more of the enrolled students meet federal eligibility requirements for Free or Reduced-Price Meals.

OSPI is required to reimburse school districts on a per-meal reimbursement basis for meals that are not already reimbursed at the United States Department of Agriculture free rate. The additional state reimbursement amount must be the difference between the Department of Agriculture's free rate and its paid rate.

School districts must continue collecting meal applications where applicable and run direct certification at least monthly. Additionally, school districts must annually monitor data for eligibility in the CEP and apply where eligible.

Beginning in the 2023–24 school year, and in accordance with requirements governing the provision of no charge meals to all requesting students, school districts must implement a school breakfast program in each school that is required to provide the no charge meals.

The current requirement obligating public schools with an identified student percentage of less than 40 percent to participate in the CEP if authorized by federal law is repealed.

Public schools providing school meals to students are encouraged to buy Washington produced food whenever practicable and when cost is comparable to non-Washington produced food.

Funding provisions for the Learning Assistance Program (LAP) are modified as follows for the 2024–25 and 2025–26 school years:

- General LAP allocations for school districts providing meals at no charge to all requesting students that do not participate in the CEP must be based on the school district percentage of students who were eligible for Free or Reduced-Price Meals in school years 2019–20 through 2022–23 or the prior school year, whichever is greatest.
- For the high poverty-based allocation, a school providing meals at no charge to all requesting students that is not participating in the CEP continues to be eligible for the high poverty-based allocation if the school qualified during one year of the 2019–20 through 2022–23 school years, or in the prior school year.

For the 2024–25 and 2025–26 school years, a qualifying Certificated Instructional Staff is eligible for the high poverty schools' annual bonus of \$5,000 if they are in an instructional assignment in a school providing meals at no charge to all requesting students that met the definition of high poverty school during the 2022–23 school year.

NOTE: The final 2023–25 Operating Budget provides \$25.9 million to implement E2SHB 1238. \$23.4 million is provided to OSPI to reimburse schools required to offer free meals but are not reimbursed at the free federal meal rate. Another \$2.5 million is provided to OSPI to implement



formula changes to the Learning Assistance Program as stipulated in the bill.

### **HB 1308—Graduation pathway options**

Representative Stonier, by request of Superintendent of Public Instruction

#### **C349 L23**

To qualify for a high school diploma, public school students must satisfy credit and subject area requirements established by the Legislature and the State Board of Education, fulfill any locally established requirements, complete a High School and Beyond Plan (HSBP), and meet the requirements of at least one graduation pathway option.

The stated intent of the pathway options is to provide students with multiple pathways to graduating with a meaningful high school diploma that are tailored to the students' goals.

The graduation pathway options, which are implemented through rules adopted by the State Board, give students the option to meet pathway requirements by:

- Meeting or exceeding the graduation standard established by the State Board on the statewide high school assessments in English language arts (ELA) and mathematics;
- Completing and qualifying for college credit in dual-credit courses in ELA and mathematics;
- Earning high school credit in a high school transition course that meets specific requirements in ELA and mathematics;
- Earning high school credit with an appropriate grade or exam score in specified Advanced Placement (AP), International Baccalaureate (IB), or Cambridge International courses in ELA and mathematics;
- Meeting or exceeding the scores established by the State Board for the mathematics portion and the reading, English, or writing portion of the SAT or ACT;
- Meeting any combination of at least one ELA option and at least one mathematics option established in the previous bullets;
- Meeting standard in the Armed Services Vocational Aptitude Battery; or
- Completing a sequence of Career and Technical Education courses that are relevant to the student's postsecondary pathway and that meet specific criteria.

School districts are encouraged to make all graduation pathway options available to their students, and to expand their list of options until all are offered, but districts are granted discretion in determining which pathway options they offer.

HB 1308, among other things, establishes a new graduation pathway option. Under provisions of the bill, school districts may permit students to meet graduation pathway requirements

by completing a performance-based learning experience through which the student demonstrates knowledge and skills in a real-world context, providing evidence of meeting or exceeding state learning standards in English language arts (ELA) and mathematics.

The performance-based learning experience may take a variety of forms, such as a project, practicum, work-related experience, community service, or cultural activity, and may result in a variety of products that can be evaluated, examples of which include a performance, presentation, portfolio, report, film, or exhibit.

The performance-based learning experience must conform to state requirements established in rule by the State Board of Education that address the safety and quality of the performance-based learning experience, and the authentic performance-based assessment criteria for determining that the student has demonstrated the applicable learning standards. The rules may allow external parties, including community leaders and professionals, to participate in the evaluation of the student's performance, and must require that the evaluation include at least one certificated teacher with an endorsement in each relevant subject area or with other applicable qualifications.

Additionally, to support implementation of the performance-based learning experience option, the State Board, in collaboration with OSPI, must establish graduation proficiency targets and associated rubrics aligned with state learning standards in ELA and mathematics.

Prior to offering the performance-based learning experience pathway option to students, the school district board of directors must adopt a written policy in conformity with applicable state requirements.

School districts are required to annually provide students in grades 8 through 12 and their parents or legal guardians with comprehensive information about the graduation pathway options offered by the district. School districts must provide this information in a manner that conforms with the district's language access policy and procedures, and are encouraged to begin providing this information to students when they are in sixth grade.

The State Board of Education is required to review and monitor the implementation of the graduation pathway options to ensure school district compliance with graduation pathway requirements and school district data and analysis obligations. The reviews and monitoring may be conducted concurrently with other oversight and monitoring conducted by the State Board. The review and monitoring information must be collected annually and reported to the Legislature every two years, beginning January 10, 2025.

At least annually, school districts must examine data on student groups participating in and completing each graduation pathway option offered by the district. The applicable student

data must be disaggregated by a minimum number of student groups, including race and ethnicity subgroups, and by:

- Gender;
- Students who are the subject of a dependency proceeding;
- Students who are experiencing homelessness; and
- Multilingual/English learners.

If the results of the analysis show disproportionate participation and completion rates by student groups, the school district must identify reasons for the observed disproportionality and implement strategies as appropriate to ensure the graduation pathway options are equitably available to all students.

Current provisions directing the State Board to perform completed survey and reporting duties related to graduation pathway options are repealed.

The State Board is directed to establish a list of AP, IB, and Cambridge international courses that can be used for meeting ELA and mathematics requirements for the AP, IB, Cambridge International Courses graduation pathway option, rather than having qualifying courses delineated in statute. Additionally, students are permitted to meet the ELA and mathematics requirements for this pathway option by earning the minimum scores outlined in credit awarding policies required of public institutions of higher education.

Finally, the stated intent of the graduation pathway options is revised to specify that the options are intended to provide a student with multiple ways, including test-based, course-based, and performance-based options, to demonstrate readiness in furtherance of the student's individual goals for high school and beyond. For purposes of this intent provision, "demonstrate readiness" means the student meets or exceeds state learning standards addressed in the pathway option.

NOTE: The final 2023–25 Operating Budget provides \$271,000 to OSPI to implement the provisions of HB 1308.

### **2SHB 1316—Dual credit access**

Representative Paul

#### **C350 L23**

2SHB 1316 revises provisions regarding Running Start. The bill explicitly states that every school district, charter school, and state-tribal education compact school must allow eligible students to participate in the Running Start program.

Students participating in Running Start programs may be funded up to a combined maximum enrollment of 1.4 full-time equivalents (FTEs), including school district and institution of higher education enrollment. OSPI is directed to adopt rules regarding Running Start during the summer. The rules for state funding Running Start student summer enrollment must limit enrollment to a maximum of 10 college credits per student per summer academic term.

The bill modifies and codifies other provisions in the Operating Budget. Language specifies:

- OSPI may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and the institution of higher education; and
- OSPI, in consultation with the State Board for Community and Technical Colleges, the institutions of higher education, the Washington Student Achievement Council, and the Education Research and Data Center, must annually track, and report to the Legislature, the combined FTE experience of students participating in Running Start programs, including course load analyses and enrollments by high school and institutions of higher education.

2SHB 1316 clarifies that the Running Start program as a service delivery model and associated funding levels beyond 1.0 FTE per student are not part of the state's statutory program of basic education.

The provision stating that the statutes governing the Running Start program are in addition to and not intended to adversely affect agreements between school districts and public institutions of higher education in effect on April 11, 1990, no longer applies to agreements in effect "in the future."

### **SHB 1346—Purple Star award**

Representative Shavers

#### **C450 L23**

Numerous states have established Purple Star Programs to address education, social, and emotional difficulties that children of military parents can experience resulting from frequent school transfers. These programs often designate schools as "military friendly" if they demonstrate a commitment to students and families connected to the nation's military and meet other criteria, such as designating school staff as a point of contact for military students and families, and establishing a website page with resources for military families.

In 2009, legislation was adopted to add Washington as a member state of the Interstate Compact on Educational Opportunity for Military Children. All 50 states are member states under the Compact. The purpose of the Compact, which applies only to public schools, is to remove barriers to educational success imposed on children of military families because of frequent moves and deployment by their parents. Each member state, either through the creation of a state council or the use of an existing body or board, is required to provide for the implementation of the Compact. In Washington, the Interstate Compact Council has been established to fulfill those obligations.

The Compact requires the State Council to include: the Superintendent of Public Instruction; a superintendent of a

school district with a high concentration of military children; a representative from a military installation; one representative each from the legislative and executive branches of government; and other offices and stakeholder groups the State Council deems appropriate.

The Compact also requires the State Council to appoint or designate a military family education liaison to assist military families and the state in implementing the Compact.

SHB 1346 takes another step in supporting children of military families. The bill creates the Purple Star designation to recognize school districts that demonstrate educational and social-emotional support to students of military service members as they face transitions to a new school. Beginning in 2024, the designation is to be issued every two years, and school districts that earn the designation will receive a Purple Star recognition to display on site.

OSPI may collaborate with a state agency or nonprofit organization that has experience serving the needs of a diverse kindergarten through grade 12 population to establish and administer the designation. (NOTE: As this bill was being developed, there was a consideration of WASA being the organization to administer the Purple Star program. It is unclear if WASA will be tapped to serve in this role or not.)

OSPI is required to make available on its website an application for a school district to submit for consideration to receive the designation. The application must:

- Require evidence of meeting applicable requirements; and
- Include a timeline for submittal of an application and announcement of the designation recipients.

OSPI's website must also describe the criteria used to review the applications and determine which school districts will receive the designation. To be considered for the designation, a school district must maintain a dedicated page on its website featuring resources for military families. The school district must also have a staff point of contact for military students and families that:

- Works jointly with the state military family education liaison of the State Council to serve military families;
- Serves as the primary liaison between military families and the school district;
- Completes professional development on special considerations for military students and families under relevant state and federal law; and
- Identifies and informs teachers of military-connected students in their classrooms and the special considerations military families and students should receive under the Compact.

To receive the designation, a school district must also complete one or more of following optional activities:

- Provide professional development for additional staff on special considerations for military students and families;
- Pass a resolution publicizing the school district's support for military children and families; or
- Post a military recognition event that demonstrates a military-friendly culture.

NOTE: The final 2023–25 Operating Budget provides OSPI \$145,000 to implement this bill.

### **ESHB 1436—Special education funding**

Representative Pollet, by request of Superintendent of Public Instruction

#### **C417 L23—Partial Veto**

The state allocates funding for a program of special education for students with disabilities using an excess cost formula, which multiplies a school district's base allocation by an excess cost multiplier. Currently, school districts receive a tiered multiplier based on inclusion in a general education setting for special education students in kindergarten through age 21. A multiplier of 1.0075 is provided for special education students that spend at least 80 percent of the school day in a general education setting. For students in a general education setting less than 80 percent of the time, districts receive a 0.995 multiplier. Excess cost allocations are capped at 13.5 percent of a school district's full-time student enrollment.

Students ages three to five (Pre-K) receiving special education services also receive a multiplier of 1.15.

In addition to the excess cost multipliers, safety net funding is available if a school district has one or more high-need individual (HNI) students or is in a community impacted by large numbers of families with children eligible for special education, such as communities with group homes or military bases. For high-need individual awards, a school district's expenditures for the student must exceed an expenditure threshold, which is currently 2.3 times the statewide average per-pupil expenditure.

ESHB 1436 includes multiple changes to special education funding.

**Special education multipliers and safety net.** Excess cost multipliers for special education are increased as follows:

- From 1.0075 to 1.12 for K–21 students spending 80 percent or more of the school day in a general education setting;
- From 0.995 to 1.06 for K–21 students spending less than 80 percent of the school day in a general education setting; and
- From 1.15 to 1.2 for pre-kindergarten students.

The bill increases the current 13.5 percent enrollment cap to 15.0 percent beginning in the 2023–24 school year.



The threshold to access safety net funding for high-need individuals is reduced from 2.3 to:

- 2.2 times the average per-pupil expenditure (APPE) for school districts with more the 1,000 full-time equivalent students; and
- 2.0 times the APPE for school districts with fewer than 1,000 full-time equivalent students.

**Cost Accounting.** OSPI is required to develop an allocation and cost accounting methodology to ensure basic education general apportionment funding is prorated and allocated to a student's special education program and accounted for before calculating special education excess cost when services are provided outside of the general education setting. OSPI must report general apportionment funding prorated and allocated to a special education program by district beginning January 1, 2024, and every odd-numbered year thereafter.

OSPI is required to use the following accounting methodology through the 2026–27 school year: if a school district's percentage used to calculate the state general apportionment revenue allocated to special education is lower than the percentage used for the 2022–23 school year, OSPI must allocate state general apportionment revenue to special education based on the percentage used in the 2022–23 school year. The following exceptions apply:

- This requirement does not apply to school districts with more than 30 percent of state general apportionment revenue allocated to special education or school districts with enrollments of less than 300 full-time equivalent students.
- School districts with less than 20 percent of state general apportionment revenue allocated to special education must be allocated at 20 percent.
- If the percentage of time that a district's students receiving special education are served in the general education setting is at least 5 percent greater than in 2022–23, the percent of state general apportionment revenue allocated to special education may be reduced by one percent from the 2022–23 school year value.

The OSPI is required to:

- Annually review data from school districts to ensure that disproportionate percentages of students are not identified for special education services; and
- Provide technical assistance and professional development opportunities to school districts and community partners to promote inclusionary practices and help safeguard against overidentification and disproportionality.

**VETO—Special Education Performance Audit.** The Joint Legislative Audit and Review Committee (JLARC) and the State Auditor are required to conduct a performance audit of the state's special education system on several topics, including options for funding formula changes and comparisons with other states. JLARC and the State Auditor are required to consult with several entities, including OSPI, in their work and the use of contractors for any aspect of the audit is authorized. JLARC and the State Auditor may select a sample of school districts to audit as needed. By December 31, 2023, JLARC and the State Auditor are required to identify a lead agency for each component of the audit, and any aspects of the work being performed by contractors. The study's findings and recommendations must be reported to the governor and the Legislature by November 30, 2024.

NOTE: Prior to signing ESHB 1436, Governor Inslee vetoed the section calling for a JLARC and State Auditor performance audit. In his veto message, he noted that the bill states JLARC and the State Auditor “shall be considered authorized representatives of relevant state education authorities, including OSPI and the Department of Children, Youth, and Families, for the purpose of accessing records for this evaluation.” He said, “This provision conflicts with policies that favor the protection of student records and individual student privacy, without a corresponding need for that confidential, personal information.” It should be noted that Gov. Inslee also vetoed the funding in the 2023–25 Operating Budget for this audit. In his veto message he simply said, “I vetoed this section of ESHB 1436, and no audit will be conducted. Therefore, no funding is needed.”

NOTE: The final 2023–25 Operating Budget provides \$371.0 million to implement ESHB 1436. The funding supports the following:

- Excess Cost Multipliers—\$253.6 million
- Enrollment Cap—\$106.9 million
- Safety Net Threshold—\$5.5 million
- Inclusionary Practices Project—\$5.0 million
- Performance Audit, JLARC—\$1.5 million
- Performance Audit, State Auditor—\$1.5 million—

#### **VETO**

(The governor vetoed the required JLARC/Auditor performance study from ESHB 1436; however, he only vetoed the funding from the Auditor's budget. It is unclear if JLARC will carry forward with the audit or not.)

#### **2SHB 1491—Employee personal vehicles**

Representative Orcutt

#### **C252 L23**

The Department of Labor and Industries (L&I) has general investigative and enforcement authority over “conditions of labor” that are unlawful when detrimental to employee health.



Conditions of labor include personal privacy. There are no specific statutes or L&I rules regarding workplace searches.

Government employers are subject to federal and state constitutional privacy restrictions. Generally, a government actor needs a warrant supported by probable cause to conduct a search of private property, unless an exception applies. In the employment setting, an exception may apply when the employer has a compelling interest and narrowly tailors the search to achieve that interest.

Under the provisions of 2SHB 1491, employers or their agents may not search an employee's privately owned vehicle located on the employer's parking lots, garages, or access roads to the employer's parking lots or garages. An employee may possess any legally possessed private property in the employee's vehicle. An employer must not require, as a condition of employment, that an employee or prospective employee waive those protections.

The prohibition against searches does not apply to:

- Vehicles owned or leased by an employer;
- Lawful searches by law enforcement officers;
- When a reasonable person would believe that accessing an employee's vehicle is necessary to prevent an immediate threat to human health, life, or safety;
- When the employer requires or authorizes the employee to use the employee's vehicle for work-related activities and the employer needs to inspect the vehicle to ensure it is suited to conduct the work-related activities;
- Security inspections on state and federal military installations and facilities;
- Vehicles located on state correctional institution premises;
- Specific employer areas subject to searches under state or federal law; or
- When an employee consents to a search based on probable cause that the employee unlawfully possesses: employer property; or controlled substances in violation of both federal law and the employer's written policy prohibiting drug use.

The employee's consent must be given immediately prior to the search and the employer may not require that the employee waive consent as a condition of employment. Upon consent, the employee may select a witness to be present during the search.

An employer may not take any adverse action against an employee for exercising any rights established under these provisions. Adverse action means any action taken or threatened by an employer against an employee for exercising the employee's rights, and may include:

- Denying or delaying wages owed;
- Terminating, suspending, demoting, or denying a promotion;
- Reducing an employee's work hours or altering a preexisting schedule;
- Reducing pay; and
- Taking action or threatening to take action based on the employee's or family member's immigration status.

## **SHB 1521—Self-insured employers**

Representative Bronoske

### **C293 L23**

Under the state's workers' compensation laws, employers must either insure through the State Fund administered by the Department of Labor & Industries (Department) or, if qualified and certified by the Department, may self-insure. Self-insurance is a program in which the employer, the self-insurer, provides any and all appropriate benefits to the injured worker. Self-insurers manage some aspects of injured worker claims, including closing certain types of claims. Self-insurers must maintain records of all payments of compensation and provide to the Department all information the self-insurer has relating to a disputed claim. Self-insurers may contract with a third-party administrator (TPA) to administer claims. Third-party administrators must be licensed by the Department, and claims administrators must maintain certification through the Department.

SHB 1521 specifies that all self-insured municipal employers, certain self-insured private sector firefighter employers, and their third-party administrators have a duty of good faith and fair dealing to certain workers when administering workers' compensation claims. A "municipal employer" includes any county, city, town, port district, water-sewer district, school district, metropolitan park district, fire district, public hospital district, regional fire protection service authority, ESD, or such other units of local government.

A self-insured municipal employer, self-insured private sector firefighter employer, or its TPA violates the duty if it coerces a worker to accept less than the compensation due to him or her, or otherwise fails to act in good faith or fair dealing regarding its obligations. The Department must adopt rules establishing additional applications of the duty of good faith and fair dealing as well as criteria for determining appropriate penalties for violations.

The Department must investigate each alleged violation of the duty of good faith and fair dealing upon the filing of a written complaint or upon its own motion. After receiving notice, the applicable employer or the TPA may file a written response within 10 working days. If the employer or the TPA fails to file a timely response, the Department must issue an order based on available information. The Department must issue an order determining whether a violation has occurred within

30 calendar days of receipt of a complete complaint or its own motion.

The duty of good faith and fair dealing applies to all claims regardless of the date of injury.

SHB 1521 increases penalties for violations. If the duty has been violated, the applicable employer must be ordered to pay a penalty of one to 52 times the average weekly wage at the time of the order, depending upon the severity of the violation, which accrues for the benefit of the worker. In addition, if a self-insured municipal employer, self-insured private sector firefighter employer, or its TPA violates the duty of good faith and fair dealing, the Department may impose the following penalties:

- A maximum of \$3,000 or 75 percent of the amount due, or the underpayment, for a self-insurer who unreasonably delays or refuses to pay benefits; and
- A maximum of \$3,000 for failure to comply with Department rule or other provision pertaining to workers' compensation.

The bill also expands the grounds upon which the Department must decertify a self-insured employer to include circumstances where a self-insured municipal employer violates the duty of good faith and fair dealing three times within a three-year period, excluding violations constituting errors or delays that are inadvertent or minor. The Department may delay decertification while a self-insured municipal employer has an enforceable contract with a licensed TPA that may not be legally terminated; however, the self-insured municipal employer may not renew or extend the contract.

### **HB 1527—Tax increment financing**

Representative Wylie, by request of State Treasurer  
**C354 L23**

In 2021, legislation (ESHB 1189) was adopted to authorize a new Tax Increment Financing (TIF) option for local governments. Tax increment financing is a method of allocating a portion of taxes to finance public improvements in designated areas. Typically, under a TIF program, a local government issues bonds to finance public improvements. To repay its bondholders, the local government is permitted to draw upon tax revenue from increases in assessed value inside a special district surrounding the site of the public improvements.

“Local government” in this context means any city, town, county, port, or a combination of these entities; it does not include school districts. While school districts cannot participate and, therefore, do not directly benefit from TIF, there are several school district protections embedded in the 2021 bill, to ensure schools are not negatively impacted.

Prior to establishing an increment area, the local government must consider a project analysis that includes objectives for the increment area, identification of properties within the

financing area, and assessments of likely job creation and private development expected from the project. Additionally, there must be an assessment of any impacts and any necessary mitigation to address impacts identified on:

- Affordable and low-income housing;
- The local business community;
- The local school districts; and
- The local fire service.

HB 1527, requested by the State Treasurer, makes a series of technical corrections to the Tax Increment Financing authorization from 2021.

Under provisions of the bill, “real property” has the same meaning as in the property tax statutes. It also includes privately owned or used improvements located on publicly owned land subject to property taxation or the leasehold excise tax.

Public improvements that can be financed using TIF are expanded to include relocation and construction of a government-owned facility, so long as there is written permission from the agency owning the facility and the Office of Financial Management. In addition, public improvement costs can also include site acquisition and the expansion of public improvements.

The definition of “tax allocation base value” is changed from the year in which the increment area is first designated to when the increment area takes effect.

Under the 2021 law, a local government that is seeking to create a TIF must publish notice in a legal newspaper of general circulation within the jurisdiction of the local government that describes the public improvements, describes the boundaries of the increment area, and identifies the location and times where the ordinance and other public information concerning the public improvement may be inspected. HB 1527 specifies the timing for the published notice of the designation of an increment area. The notice must be published in a legal newspaper at least two weeks prior to the date on which the ordinance creating the increment is adopted. A certified copy of an adopted ordinance must be sent to each taxing district within the increment area within 10 days of when the ordinance was adopted.

To reflect the expansion of the definition of real property, the county assessor is directed to adjust the tax allocation base value for the increment area to reflect the assessed value of any privately owned improvements located on publicly owned land. This change does not impact any apportionment or distributions occurring in calendar years before 2024.

Finally, local taxing districts are provided with the authority to increase their property tax levy capacity for increases in assessed value within the TIF area following the consolidation or annexation of taxing districts.

**ESHB 1533—Employee information disclosure**

Representative Mena

**C458 L23**

The Public Records Act (PRA) requires that all public records maintained by state and local agencies be made available to all members of the public, except for records specifically exempt under the PRA or other statute. A public record is defined as any writing that is prepared, owned, used, or retained by any state or local government agency, and which contains information that relates to the conduct of government, or the performance of any governmental or proprietary function.

The PRA provides for various exemptions related to personally identifiable information or a person's right to privacy. In addition, certain employment information held by an agency in personnel records is also exempt under the PRA such as residential addresses, residential telephone numbers, personal wireless telephone numbers, personal email addresses, social security numbers, driver's license numbers, identicard numbers, payroll deductions, and emergency contact information of employees, and the names, dates of birth, residential addresses, residential telephone numbers, personal wireless telephone numbers, personal email addresses, social security numbers, and emergency contact information of dependents of employees.

ESHB 1533 adds exemptions from disclosure to the PRA. Except as applied to public record requests from the news media, an employee's personally identifiable information, such as job title, addresses of workstations and locations, work email address, work phone number, or bargaining unit, is exempt from disclosure under the PRA if:

1. The employee or their dependent is a survivor of domestic violence, sexual assault, sexual abuse, stalking, or harassment, as defined under the specified criminal procedure statute, Victims of Sexual Assault Act, civil protection order statute, or criminal code;
2. The information is maintained by an agency in its personnel records or systems or is responsive to a request for a list of individuals which is subject to the commercial purpose prohibition; and
3. The employee provides:
  - a. Proof of participation in the state's Address Confidentiality Program to their employing agency; or
  - b. A sworn statement that must be renewed every two years, signed under penalty of perjury, and verified by the director of the employee's employing agency attesting that the employee or the employee's dependent is a survivor of domestic violence, sexual assault, sexual abuse, stalking, or harassment and the reasons why the employee has a reasonable basis to believe that the risk of domestic violence, sexual assault, sexual abuse, stalking, or harassment continues to exist.

The director of the employee's employing agency may verify the sworn statement by confirming that the sworn statement identifies the alleged perpetrator by name and, if possible, image or likeness, or by obtaining a copy of the policy report, protection order petition, or other documentation of the allegations.

Any documentation maintained by an agency to administer the exemption is confidential and may not be disclosed. Agencies are permitted to provide information to their employees on how to anonymize their work email address.

**HB 1536—Withholding high school diplomas**

Representative Timmons

**C384 L23**

Under current law, a school district may withhold the diploma of a student who is responsible for losing or for willfully cutting, defacing, or injuring the property of the school district, a contractor of the district, an employee, or another student, until the student or the student's parent or guardian has paid for the loss or damage. School districts must adopt procedures to protect students' rights to due process before diplomas are withheld for these reasons.

Each school district that withholds diplomas for these reasons must publish and maintain the following information on its website:

- The number of diplomas withheld, by graduating class, during the previous three school years; and
- The number of students with withheld diplomas who were eligible for Free or Reduced-Price Meals during their last two years of enrollment in the school district.

When a student and the student's parent or guardian are unable to pay for the loss or willful damages, the school district must provide a program of community service for the student in lieu of the payment of monetary damages. Upon completion of community service, the student's diploma must be released.

HB 1536 makes changes to the authority of school districts to withhold the diplomas of students who lose or willfully damage property. Under the bill, the ability to withhold a diploma is limited to property loss or damages that exceed \$1,000. In addition, school districts are required to release a withheld student's diploma at the earlier of: five years from the date of the student's graduation; or until the amount owed is less than \$1,000.

Community service performed by the student in lieu of payment of monetary damages must be credited at the applicable local or state minimum wage, whichever is greater.

Reporting requirements are also adjusted. Under HB 1536, information about withheld diplomas must be published and maintained in a location on the school district website that facilitates easy access to the information. When publishing required information about withheld diplomas on their websites, school districts must include information about the



preceding five years, rather than three years, and must annually update the data from the prior reporting year to reflect the permitted release of diplomas.

## **2SHB 1550—Transition to Kindergarten**

Representative Santos

### **C420 L23**

Some school districts and charter schools have elected to offer programs referred to as Transitional Kindergarten (TK). OSPI notes that TK is “a kindergarten program for children not yet age 5 who do not have access to high-quality early learning experiences prior to kindergarten and have been deemed, through a screening process or other instrument, to need additional preparation to be successful in kindergarten the following year.”

While many school districts have operated TK with the support of OSPI, the program was never adopted or defined in statute by the Legislature. 2SHB 1550 codifies and renames Transitional Kindergarten (TK) as the Transition to Kindergarten (TTK) Program and specifically clarifies that TTK is not a part of the state’s statutory program of basic education. The stated intent of the Legislature is to establish a renamed TK program in statute with the goal of assisting eligible children in need of additional preparation to be successful kindergarten students in the following school year.

OSPI is required to administer the new TTK Program and must adopt rules for the administration of, the allocation of state funding for, and minimum standards and requirements for the TTK Program. Initial rules, which include expectations for school districts, charter schools, and state-tribal education compact schools transitioning existing programs to the requirements for TTK Programs must be adopted in time for the 2023–24 school year, and permanent rules must be adopted by the beginning of the 2024–25 school year.

The rules adopted by OSPI must include specified minimum requirements for school districts, charter schools, and state-tribal education compact schools operating a TTK Program. Specifically, the rules must:

- Limit TTK program enrollment to eligible children, which are defined as those who: have been determined to benefit from additional preparation for kindergarten; and are at least four years old by August 31 of the school year they enroll in the program;
- Require, as practicable, school districts, charter schools, and state-tribal education compact schools to prioritize families with the lowest incomes and children most in need for additional preparation to be successful in kindergarten when enrolling eligible children in a TTK Program. Access to the TTK Program does not constitute an individual entitlement for any particular child;
- Require that, except for children who have been excused from participation by their parents or legal

guardians, the Washington Kindergarten Inventory of Developing Skills (WaKIDS) must be administered to all eligible children enrolled in a TTK Program at the beginning of the child’s enrollment in the program and at least one more time during the school year;

- Require that all eligible children enrolled in a TTK Program be assigned a statewide student identifier and that the TTK Program be considered a separate class or course for the purposes of specified data reporting requirements;
- Require that a local child care and early learning needs assessment be conducted before beginning or expanding a TTK Program that considers the existing availability and affordability of early learning providers, such as the Early Childhood Education and Assistance Programs, Head Start programs, and licensed child care centers and family home providers in the region. Data available through the regionalized data dashboard maintained by the Department of Children, Youth, and Families (DCYF) or any other appropriate sources may be used to inform the needs assessment;
- Require that school districts, charter schools, and state-tribal education compact schools adhere to guidelines, as developed by OSPI, related to the following elements: (1) best practices for site readiness of facilities that are used for the program; (2) developmentally appropriate curricula designed to assist in maintaining high quality programs; and (3) professional development opportunities. OSPI must develop a process for conducting site visits of any school district, charter school, or state-tribal education compact school operating a TTK Program and provide feedback on elements in OSPI guidelines described above;
- Prohibit charging tuition or other fees to state-funded eligible children for enrollment in a TTK Program; and
- Prohibit establishing a policy of excluding an eligible child due only to the presence of a disability.

School districts, charter schools authorized by a school district, and state-tribal education compact schools are immediately permitted to operate a TTK Program. Beginning with the 2025–26 school year, charter schools authorized by either a school district or by the Washington State Charter School Commission are permitted to operate a TTK Program.

School districts, charter schools, and state-tribal education compact schools operating a TTK Program must adopt policies regarding eligibility, recruitment, and enrollment for this program that, at a minimum, meet the requirements of OSPI rules.

When adopting TTK policies, school districts, charter schools, and state-tribal education compact schools must consider best



practices developed by OSPI, in collaboration with DCYF, related to statewide coordinated eligibility, recruitment, enrollment, and selection.

School districts, charter schools, and state-tribal education compact schools may blend or co-locate a TTK Program with other early learning programs.

Funding for the TTK Program must be based on the following:

- The distribution formula for the following components of the prototypical school funding model calculated using the actual number of annual average full-time equivalent eligible children enrolled in the TTK Program: average general education class size; minimum staff allocations per prototypical school and school district; materials, supplies, and operating costs; the Learning Assistance Program; and the Transitional Bilingual Instruction Program. A TTK child must be counted as a kindergarten student for purposes of these funding calculations, but must be reported separately; and
- The distribution formula for transporting elementary and secondary school students, calculated using reported ridership for eligible children enrolled in the TTK Program.

The bill specifies that exceptions to uniform entry qualifications for admission to kindergarten and first grade are “individualized” exceptions. In addition, it is specified that nothing authorizes school districts, public schools, or OSPI to create state-funded programs based on entry qualification exceptions except as otherwise expressly provided by law.

DCYF is required to make administrative changes to better align Early Childhood Education and Assistance Program (ECEAP) implementation with state-funded early learning programs serving 3- through 5-year-old children offered by school districts, charter schools, and state-tribal education compact schools. DCYF must submit a report of the administrative changes to the Legislature by July 1, 2024.

OSPI, in collaboration with DCYF, must provide technical assistance to TTK Programs to support connections with local early learning providers.

NOTE: The final 2023–25 Operation Budget transfers funding out of Transitional Kindergarten (reducing \$114.0 million from OSPI’s budget); however, the new Transition to Kindergarten is provided with a \$114.0 million appropriation (\$72.0 million from the General Fund and \$41.8 million in one-time federal pandemic funding)

### **HB 1622—Students/homelessness**

Representative Fey  
**C386 L23**

Requirements governing the provision of education services to homeless children and youth are established in federal and state law. At the federal level, the McKinney-Vento Act and

its administration through the United States Department of Education requires state educational agencies, including OSPI, to ensure that homeless children and youth have equal access to the same free, appropriate public education as is provided to other children and youth.

To assist students experiencing homelessness, the state has established various grant programs. In 2016, legislation directed OSPI to establish a competitive grant process to evaluate and award two-year, state-funded grants to school districts to increase the: identification of students experiencing homelessness, and the capacity of districts to provide support for those students. The result of the legislation was the Homeless Student Stability Education Program (HSSEP).

Award criteria for grants from the HSSEP must be based on the demonstrated need of the school district. The criteria may consider the number or overall percentage of homeless children and youth enrolled in the school district, and the ability of the local school district to meet their needs. Selected grantees must reflect geographic diversity, and greater weight must be given to school districts that demonstrate a commitment to specified actions, including partnering with local housing and community-based organizations with experience in serving the needs of students experiencing homelessness or students of color.

Funds may be used in a manner that is complementary to federal McKinney-Vento Act funds and consistent with allowable uses as determined by OSPI. School districts may access federal and state funding to identify and support students experiencing homelessness.

The 2016 legislation also directed the Department of Commerce to administer a competitive grant program that links students experiencing homelessness and their families with stable housing located in the student’s school district. The program, the Homeless Student Stability Program (HSSP), has statutorily established goals of:

- Providing educational stability for students experiencing homelessness by promoting housing stability; and
- Encouraging the development of collaborative strategies between housing and education partners.

In implementing the HSSP, the Department of Commerce is directed to consult with OSPI.

HB 1622 makes various changes to provisions governing the state grant programs for students who are experiencing homelessness to align the goals and reporting requirements of OSPI and Department of Commerce programs.

The following goals, which are identical to those of the Homeless Student Stability Program (HSSP), are established for the HSSEP:

- Provide educational stability for students experiencing homelessness by promoting housing stability; and

- Encourage the development of collaborative strategies between education and housing partners.

Grant fund expenditure requirements for the HSSEP are modified to permit student supports and activities that include:

- Direct academic supports, including tutoring and additional transportation costs;
- Basic needs, including retail store cards, nutrition supports, and hygiene items;
- Wraparound supports, including contracting with community-based providers, behavioral and physical health supports, and housing-related supports that meet a student's emergent needs and allow the student to fully participate in school;
- Employment supports for students and families; and
- Out-of-school enrichment activities, such as an academic tutor provided at a shelter.

School districts may continue to access federal and state funding to identify and support students experiencing homelessness but are encouraged to use grant dollars to leverage community resources and strengthen relationships with community-based partners.

Grant awarding provisions for the HSSEP are modified to specify that greater weight must be given, in part, to districts that demonstrate a commitment to partnering with local community-based organizations with experience in serving the needs of students experiencing homelessness or students of color, with a preference for organizations that focus on equitable housing and homeless strategies.

New grant program-related reporting requirements are established for OSPI and the Department of Commerce. Both agencies are directed to:

- Collaborate on shared goals and outcomes under the HSSEP and the HSSP; and
- Beginning in 2024, and every two years thereafter, jointly produce and make publicly available a report on the goals and outcomes of the programs.

Similarly, the bill makes numerous revisions are made to provisions governing the HSSP.

If the Department of Commerce employs a vendor to assist with the implementation of the HSSP, the list of activities in which the vendor may engage in is expanded to permit the vendor to support collaborations between the Department of Commerce and OSPI.

Application requirements for the HSSP are also modified to require that applications include a letter of support from the applicable school districts. Additionally, if a memorandum of understanding cannot be established in accordance with specified requirements, the housing provider and school districts may work with the Department of Commerce on a

case-by-case basis to provide, in lieu of an MOU, a detailed accountability plan for a partnership between the housing provider and the school districts.

Grant awarding provisions for the HSSP are modified to specify that greater weight must be given, in part, to eligible organizations that demonstrate a commitment to partnering with local schools or school districts, as demonstrated by a letter of support.

NOTE: The final 2023–24 Operating Budget provides \$4.6 million to continue support for the Homeless Student Stability Program. \$2.0 million is provided to the Department of Commerce; \$2.6 million is provided to OSPI.

### **HB 1624—ESD elections**

Representative Ybarra

#### **C83 L23**

Since 2022, WSSDA has administered elections for ESD board members, after those duties were transferred from OSPI. Under current law, declarations of candidacy forms for these elections may only be filed in person or by mail, and all votes in these elections must be cast by mail.

HB 1624 modifies provisions governing WSSDA's administration of ESD board member elections by:

- Removing the requirement that declaration of candidacy forms must be filed only in person or by mail; and
- Removing provisions requiring that all votes for ESD board members be cast by mail.

### **HB 1656—Unemployment appeals**

Representative Schmidt, by request of Employment Security Department

#### **C85 L23**

The unemployment insurance system, administered by the Employment Security Department, is designed to provide partial wage replacement for unemployed workers. Eligible unemployed workers receive benefits based on their earnings in their base year, which is typically the first four of the last five completed calendar quarters. A person who is seeking benefits, referred to as a "claimant," is eligible if he or she:

- Worked at least 680 hours in the base year;
- Voluntarily quit for good cause or was otherwise separated from employment through no fault of his or her own; and
- Is available to work and is actively searching for work.

The Employment Security Department makes a determination or redetermination as to whether an applicant is eligible for unemployment insurance benefits. When an employee or employer disagrees with a decision made by the Employment Security Department, he or she may appeal the determination to the Office of Administrative Hearings (OAH) within 30

days of receiving the notice or mailing from the Employment Security Department. Current law dictates what must be considered by the administrative law judge with the OAH in any case involving unemployment insurance benefits, regardless of the basis upon which an employee or employer filed an appeal. This includes:

- For disputes involving an initial determination, all matters covered by the initial determination are deemed to be an issue irrespective of the particular ground or grounds set forth in the notice of appeal; and
- For disputes involving claims for waiting period credits or benefits, all matters and provisions relating to the individual's right to receive such credit or benefits for the period in question, including the question and nature of the claimant's availability for work, are deemed to be an issue irrespective of the particular ground or grounds set forth in the notice of appeal, and the claimant's availability for work must be determined apart from all other matters.

For proceedings involving the person's right to benefits, all parties must be afforded an opportunity for a hearing with at least seven days' notice. After the hearing, the OAH must issue its decision affirming, modifying, or setting aside the determination or decisions of the Employment Security Department.

HB 1656 removes the requirement that the OAH review a claimant's availability for work in every dispute involving a person's unemployment insurance benefits or waiting week credits. Instead, for any dispute of a person's initial determination, determination of allowance or denial of allowance of benefits, or redetermination of allowance or denial of benefits, all matters covered by the initial determination, determination, or redetermination are deemed to be an issue irrespective of the particular grounds set forth in the notice of appeal.

### **SHB 1658—Work experience credit**

Representative Shavers

#### **C154 L23**

SHB 1658 authorizes high school students aged 16 and over to earn up to two elective credits through paid work experience if specified requirements are met, beginning in the 2023–24 school year.

Proposals for earning elective credit through paid work experience may only be approved at high schools that provide students with the opportunity to learn and master the state financial education learning standards.

Proposals for earning elective high school credit through paid work experience must:

- Be approved in advance and in writing by the applicable school counselor, principal, or designee of the principal and a work-based sponsor who will

serve as the point of contact for the employer and participate in supervising the student during the student's employment;

- Be reflected in the student's High School and Beyond Plan;
- Include a student narrative describing how the paid work experience will enable the student to develop the knowledge and skills necessary to meet the goals of basic education, including and in particular those essential to understanding the importance of work and finance; and
- Include provisions for demonstrating or otherwise assessing the student's:
  - Grade-level proficiencies on the state financial education learning standards for employment and income or financial decisions; and
  - Growth in proficiency in meeting the state financial education learning standards occurring between prework and postwork experiences.

One-half elective high school credit will be awarded for each 180 hours of paid and verified work experience to students who, as determined by the appropriate school official, meet the requirements for earning elective credit through paid work experience. High school credit may not be awarded for prior paid work experiences.

OSPI must adopt rules to implement the elective credit through paid work experience provisions. The rules must permit school districts to award credit to students in accordance with applicable requirements for work occurring outside of the regular school calendar. Schools may not approve a student's proposal for earning elective high school credit through paid work experience before OSPI rules have been adopted.

### **HB 1679—Homelessness work group**

Representative Rule

#### **C300 L23**

Currently, OSPI, in collaboration with the Department of Children, Youth, and Families; the Office of Homeless Youth Prevention and Protection Programs of the Department of Commerce; and the Student Achievement Council, is required to convene a work group to address the needs of students in foster care, students experiencing homelessness, or both. This work group is required to include representatives of nongovernmental agencies and representation from the Educational Opportunity Gap Oversight and Accountability Committee (EOGOAC). The work group must also include four legislative members who possess experience in issues of:

- Education;
- The foster care system; and
- Homeless youth from each of the two largest caucuses of the Senate and each of the two largest caucuses of the House of Representatives.

The work group must develop recommendations to promote the:

- Achievement of parity in education outcomes with the general student population; and
- Elimination of racial and ethnic disparities for education outcomes in comparison to the general student population.

In developing these recommendations, the work group must:

- Review the education outcomes of students in foster care, experiencing homelessness, or both, by examining data, disaggregated by race and ethnicity, on:
  - kindergarten readiness, early grade reading and math, eighth and ninth grade students on track to graduate, high school completion, postsecondary enrollment, and postsecondary completion; and
  - school attendance, school mobility, special education status, and school discipline;
- Evaluate the outcomes, needs, and service array for students in foster care, experiencing homelessness, or both, and the specific needs of students of color and students with special education needs;
- Engage stakeholders, including students in foster care, experiencing homelessness, or both, foster parents and relative caregivers, birth parents, caseworkers, school districts and educators, early learning providers, postsecondary institutions, and federally recognized tribes, to provide input on the development of recommendations; and
- Submit annual reports to the governor, the Legislature, and the EOGOAC that identify:
  - progress the state has made toward achieving education parity for students in foster care, experiencing homelessness, or both; and
  - recommendations that can be implemented using existing resources, rules, and regulations, and those that would require policy, administrative, and resource allocation changes prior to implementation.

The work group must submit a final report to the governor, the Legislature, and the EOGOAC by July 1, 2024. The work group expires December 31, 2024.

HB 1679 expands the current work group addressing the needs of students in foster care or experiencing homelessness to also address students in or exiting juvenile rehabilitation facilities. This expansion is reflected in changes to the work group's reporting requirements and the development of recommendations.

The work group must include representation from the Education Research and Data Center and meaningful consultation with youth and young adults who have lived

experience in foster care, homelessness, and juvenile rehabilitation.

The work group's current expiration date is also extended from December 31, 2024, until December 31, 2028. Similarly, the deadline for submitting the final report from the work group is delayed from July 1, 2024, until July 1, 2028.

Definitions are also added, changed, or clarified. The term "students in foster care" is defined to mean students who are the subject of a dependency proceeding. The term "students experiencing homelessness" is defined to mean students without a fixed, regular, and adequate nighttime residence in accordance with the federal McKinney-Vento Act. The term "students in or exiting juvenile rehabilitation facilities" is defined to mean a person under age 21 who is a resident or a former resident of an institutional education facility, which means:

- Residential habilitation and child study and treatment centers;
- State long-term juvenile institutions operated by the Department of Children, Youth, and Families;
- County juvenile detention facilities; and
- facilities of the Department of Corrections that incarcerate juveniles committed as adults.

NOTE: The final 2023–25 Operating Budget provides \$277,000 to the Office of Financial Management to continue support for a work group to address the needs of students in foster care, experiencing homelessness, or in or exiting juvenile rehabilitation, as required by HB 1679.

### **SHB 1701—Institutional Education programs**

Representative Callan

#### **C303 L23**

Washington's program of basic education mandates that instruction and associated state funding be provided for school-aged students in institutional facilities. The institutional facilities are managed and operated by the Department of Children, Youth, and Families (DCYF), the Department of Social and Health Services (DSHS), the Department of Corrections (DOC), counties, and cities, but the basic education services are generally provided by local school districts and regionally based ESDs.

OSPI oversees school districts and ESDs that provide Institutional Education services. Additionally, OSPI allocates funding to school districts and ESDs for Institutional Education services and has separate education duties and responsibilities for inmates who are under the age of 18 and incarcerated in adult facilities of the Department of Corrections.

SHB 1701 adjusts responsibilities for Institutional Education. Beginning September 1, 2027, OSPI is responsible for the delivery and oversight of basic education services to justice-involved students who are under the age of 21 and served



through Institutional Education programs in facilities that are not under the jurisdiction of DSHS or DOC.

Additionally, OSPI is required to develop a timeline and plan for assuming these responsibilities. The timeline and plan must consider:

- The findings and recommendations produced by the Joint Select Committee on Governance and Funding for Institutional Education;
- Recommendations provided in the Improving Institutional Education Outcomes: Final Report of OSPI and DCYF (2023);
- Staffing transitions for educators and staff that deliver education programming and services to the justice-involved students; and
- Legislation enacted in 2024 and in subsequent years relating to OSPI's September 1, 2027 assumption of the delineated basic education responsibilities.

In meeting the timeline and plan duties, OSPI must consult with organizations representing educators and staff that deliver education programming and services to justice-involved students who are under the age of 21 and served through Institutional Education programs in facilities that are not under the jurisdiction of DSHS or DOC.

Beginning December 15, 2023, and annually thereafter through 2026, OSPI must provide an interim report on progress made in achieving the timeline and plan requirements to the governor and the Legislature.

The bill also establishes a Joint Select Committee on Governance and Funding for Institutional Education. The membership of the Select Committee must consist of two members from the House of Representatives and two members from the Senate, as appointed by legislative leaders.

The Select Committee must examine and evaluate revisions to statutes, funding formulae, funding sources, and operating and capital budget appropriation structures as necessary to assign OSPI with the responsibility for the delivery and oversight of basic education services to youth receiving education through Institutional Education programs in facilities that are not under the jurisdiction of DSHS or DOC.

OSPI, DCYF, and DSHS must cooperate with the Select Committee and provide information as the co-chairs may reasonably request. Staff support for the Select Committee must be provided by the Senate Committee Services and the Office of Program Research. The Select Committee must report its findings and recommendations, which may be in the form of draft legislation, to the governor, OSPI, the State Board of Education, and the Legislature by December 1, 2024.

NOTE: The final 2023–25 Operating Budget provides OPSI with \$143,000 to implement SHB 1701.

## **ESHB 1744—Charter school oversight**

Representative Rude

**C356 L23**

ESHB 1744 makes various changes to provisions governing the administration and oversight of charter schools, including new and modified duties for charter schools, charter school boards, charter school authorizers, the Charter School Commission, and the State Board of Education.

**Charter Schools.** Beginning November 1, 2023, and annually thereafter, charter schools must report the employment of all noncertificated instructional staff hired in accordance with a provision permitting the hiring of noncertificated instructional staff of unusual competence and in exceptional cases. The report must address the current and preceding school year and be submitted to the executive director of the Charter School Commission and the State Board of Education for inclusion in its annual report on the performance of the state's charter schools.

Each charter school must prominently post and maintain on its website information about the school's process and instructions for submitting complaints about the operation and administration of the charter school by its enrolled students and their parents. This information must include a designated point of contact at the charter school and a link to an online complaint system required of the Charter School Commission.

Charter schools are expressly made subject to the Washington Achievement index developed by the State Board to the same extent as other public schools.

**Charter School Boards.** Each charter school board must ensure that its members and administrative staff receive annual training to support the effective operation and oversight of the charter school, including compliance with requirements governing the employment of properly credentialed instructional staff, compliance with the requirements of the Open Public Meetings Act and the Public Records Act, and the permitted uses of public funds.

Provisions governing audit requirements for charter school boards are modified. Charter school boards must obtain an accountability audit for their schools instead of contracting for an independent performance audit. The accountability audits must occur after the school's first full year of operation and subsequently at least every three years.

**The Washington State Charter School Commission.** The Charter School Commission's statutory mission is amended to require it to hold charter school boards accountable for: ensuring that students of charter schools have opportunities for academic success; and exercising effective educational, operational, and financial oversight of charter schools.

Beginning with the 2023–24 school year, the Charter School Commission is directed to promote the effective administration and operation of charter schools through the provision of

technical assistance to requesting charter schools, charter school boards, or both. The principle objective of the technical assistance, which may be provided by Commission staff or through a contractor, must be to support charter schools and charter school boards in achieving and maintaining compliance with requirements governing charter schools.

In responding to requests for technical assistance, the Charter School Commission must prioritize the provision of assistance to charter schools that have been in operation for three or fewer school years. Additionally, the technical assistance is unrelated to, and does not affect or otherwise modify, duties of the Charter School Commission in its role as an authorizer.

By November 1, 2023, the Charter School Commission must establish and maintain on its website an online system for students who attend charter schools, and the parents of those students, to submit complaints about the operation and administration of one or more charter schools, including complaints about the provision of education services and complaints alleging noncompliance with requirements governing charter schools.

The Charter School Commission must adopt rules for the online complaint system and must acknowledge the receipt of each received complaint within 10 business days. The Charter School Commission, in a timely manner, must also perform any inquiries or other actions it deems necessary and appropriate to respond to each received complaint.

**Charter School Authorizers.** Authorizers' duties are expanded to require them to:

- Hold the charter school board of each authorized charter school accountable for: ensuring that students in the charter school have opportunities for academic success; and exercising effective educational, operational, and financial oversight of the charter school; and
- Ensure that charter school boards comply with the annual training requirements to support the effective operation and oversight of charter schools.

In deciding whether to approve an application, authorizers must grant charters only to applicants that have met specified requirements and are likely to open, operate, and ensure the financial viability of a successful charter public school.

In making charter renewal decisions, authorizers must hold the charter school board accountable for: ensuring that students of the charter school have opportunities for academic success; and exercising effective educational, operational, and financial oversight of the charter school.

The authority of authorizers to conduct or require oversight activities that enable them to fulfill their responsibilities is modified by removing specified limitations on that authority, such as maintaining consistency with the intent of charter school laws. Examples of permitted reasons for conducting

or requiring oversight activities include:

- The persistent unsatisfactory performance of a charter school;
- A pattern of well-founded complaints about a charter school;
- The authority to conduct oversight activities as provided in statute, rule, or charter contract; or
- Other objective circumstances.

**State Board of Education.** The responsibility of the State Board to oversee the performance and effectiveness of authorizers that are school districts is extended to include all authorizers, therefore applying to the Charter School Commission in its role as an authorizer. The list of factors that may trigger a special review of authorizers, including the Charter School Commission, by the State Board is expanded to include a high percentage of charter school closures during the preceding 10-year period.

If the Charter School Commission is the subject of the special review, the State Board of Education has one year from the initiation of its review to complete the review and provide a report with findings and recommendations, including any recommendations for statutory revisions it deems necessary, to the governor, OSPI, and the Legislature.

NOTE: The final 2023–25 Operating Budget provides \$558,000 to the Charter School Commission for additional charter oversight duties required under ESHB 1744.

### **SHB 1756—Clean energy tax changes**

Representative Ramel

#### **C427 L23**

SHB 1756 makes various tax changes to support clean energy, while also supporting increased revenue to local governments, schools, and impacted communities. The bill:

- Provides a property tax exemption from the state property tax levy for personal property used for the generation of renewable energy and owned by a qualified taxpayer; and
- Imposes a production excise tax on the nameplate capacity of qualified renewable energy generating systems.

Specifically related to local government, including schools, the bill creates a new Renewable Energy Local Benefit Account. The Renewable Energy Local Benefit Account is created in the State Treasury and the revenues from the production excise tax must be deposited in this Account. Subject to appropriations, the Account may be used for expenditures to qualified local counties, qualified school districts, and qualified federal recognized Indian tribes. Apportionment of the revenues collected must be distributed as follows:

- 42.5 percent of excise tax paid by a renewable energy system located in a county must go to the county;

- 15 percent to a qualified federally recognized Indian tribe with rights or lands reserved or protected by federal treaty, statute, or executive order that are potentially impacted by a renewable energy system; and
- 42.5 percent to qualified school districts in the county, in proportion to number of students being served by the school district.

For the purposes of this act, the following definitions apply:

- “Qualified county” means a county that has a renewable energy system that receives a tax exemption under the provisions of the bill and pays the production excise tax as provided in the bill;
- “Qualified federally recognized Indian tribe” means a federally recognized Indian tribe with rights or lands reserved or protected by federal treaty, statute, or executive order that are potentially impacted by a renewable energy system that receives a tax exemption under the provisions of the bill and pays the production excise tax as provided in the bill; and
- “Qualified school district” means a school district that is located in a county that has a renewable energy system that receives a tax exemption under the provisions of the bill and pays the production excise tax as provided in the bill.

NOTE: There are sales and use tax exemptions to construct clean energy facilities, which means local governments can

potentially lose a significant amount of revenue, although the provisions in this bill provide a mechanism to recoup lost revenues. This bill, however, provides for tax exemptions from the State Property Tax, which is dedicated to schools. While the bill does provide schools with funds from the Renewable Energy Local Benefit Account, those funds will go to specific districts where new energy facilities are built. Depending on the level of State Property Tax losses, there is the potential this bill could set up a winners-and-losers scenario, where some school districts would benefit from this bill, while other school districts would see no gain, along with an overall statewide loss in State Property Tax revenue.

### **ESHB 1853—Transportation resources**

Representative Fey

#### **C431 L23**

ESHB 1853 makes changes to various provisions regarding transportation resources. The bill provides for one change that impacts K–12 education directly and two other changes that provide potential indirect impacts.

The 2022 Legislature established a new statewide School-Based Bicycle Education Grant Program. The Grant supports two programs: one for elementary and middle school; and one for junior high and high school-aged youth to develop the skills and street safety knowledge to be more confident

bicyclists for transportation and/or recreation. ESHB 1853 modifies the Grant Program by specifying the types of equipment that may be provided to partner schools, to include bicycles, helmets, locks, and lights.

The 2022 Legislature also made a statutory change to allow a Regional Transit Authority (RTA) to gain eligibility to compete for state Regional Mobility Grant Program funds, if the RTA enacted a policy for passengers 18 years of age and younger to ride free of charge on all modes of transportation by October 1, 2022. ESHB 1853 modifies two additional restrictive statutes to make an RTA eligible for state Regional Mobility Grant Program funds, if the RTA enacts a policy for passengers 18 years of age and younger to ride free of charge on all modes of transportation prior to October 1, 2022.

Last year, the Legislature required the establishment of a Transit Support Grant Program for the purpose of providing financial support to transit agencies for operating and capital expenses. To be eligible to receive a grant, the transit agency must have adopted, at a minimum, a zero-fare policy that allows passengers 18 years of age and younger to ride free of charge on all modes of transportation provided by the agency. ESHB 1853 modifies the Transit Support Grant Program to specify that youth zero-fare policies must align with equity and environmental justice principles consistent with recommendations from the Environmental Justice Council to the extent practicable, and ensure low-barrier accessibility to a youth zero-fare program.

### **SB 5000—Chinese Americans**

Senator Wagoner

#### **C357 L23**

SB 5000 declares that January of each year will be known as Chinese American/Americans of Chinese Descent History Month.

Public schools are encouraged to designate time for appropriate activities in commemoration of Chinese American/Americans of Chinese Descent History Month and the lives, history, achievements, and contributions of Chinese Americans and Americans of Chinese descent.

NOTE: A competing bill, HB 1759 would have designated January as Chinese American month. There was a dispute whether the month should commemorate “Chinese Americans” or “Americans of Chinese Descent.” After some debate, SB 5000 was adopted with compromise language, commemorating Chinese Americans AND Americans of Chinese Descent.

### **2SSB 5048—College in High School fees**

Senator Mullet

#### **C314 L23**

In an effort to provide equity in College in the High School (CHS) programs, 2SSB 5048, eliminates fees for students participating in College in the High School.



Beginning September 1, 2023, institutions of higher education must provide enrollment and registration in CHS courses at no cost for students in the 9th, 10th, 11th, and 12th grade at public high schools.

Beginning with the 2023–25 Operating Budget, the Legislature must pass an Operating Budget that appropriates state funding for CHS courses administered at public secondary schools (the final 2023–25 Operating Budget provides \$23.8 million to support implementation of this bill). State appropriations shall be calculated using the total CHS courses administered in the prior academic year, funded at \$300 per student up to a maximum rate of:

- \$6,000 per CHS course administered by a state university;
- \$5,000 per CHS course administered by a regional university or the state college; or
- \$3,500 per CHS course administered by a community or technical college.

Beginning with Fiscal Year 2025, the rate per CHS course must be adjusted annually for inflation as measured by the Consumer Price Index.

High schools that provide a CHS course must provide in a notification to parents and guardians of students in grades 8 through 12, including by email, in beginning of the year packets, and in the course catalog, that there is no fee for students to enroll in a CHS course. The parental and guardian notifications must also explain that enrolling in a CHS course automatically starts an official college transcript with the institution of higher education offering the course regardless of student performance, and that college credit earned upon successful completion of a course may count only as elective credit if transferred to another institution of higher education.

Previous CHS funding statutes are repealed, including statutes permitting institutions of higher education to charge students a per-credit tuition fee.

2SSB 5048 requires institutions of higher education offering CHS to:

- Provide evidence of completion of each program course on the student's college transcripts;
- Grant undergraduate college credit as appropriate and applicable to the student's degree requirements; and
- Provide course equivalencies for CHS courses and policy for awarding credit on the institution's website.

Public institutions of higher education offering CHS courses are required to coordinate with specified organizations to each prepare a report on CHS programs as follows:

- State universities, regional universities, and the state college shall coordinate with an organization representing the presidents of the public four-year institutions of higher education (i.e., Council of

Presidents or COP); and

- The community and technical colleges shall coordinate with the State Board for Community and Technical Colleges.

Each report must be disaggregated by institution of higher education and include:

- Data about student participation rates, award of high school credit, award of postsecondary credit at an institution of higher education, academic performance, and subsequent enrollment in an institution of higher education;
- Geographic data on CHS courses, including the name, number, location of courses, and student enrollment disaggregated by school districts and high schools;
- Data on CHS student demographics, including race, ethnicity, gender, and receipt of Free or Reduced-Price Meals; and
- Recommendations on additional categories of data reporting and disaggregation.

Reports must be submitted to the Legislature beginning September 1, 2024 and each year thereafter.

### **SB 5065—Bone marrow donation**

Senator Short

**C219 L23**

SB 5065 encourages school districts, charter schools, and state-tribal education compact schools that serve students in any of the grades 9 through 12 to offer instruction in awareness of bone marrow donation to students. Beginning with the 2023–24 school year, instruction in awareness of bone marrow donation may be included in at least one health class necessary for graduation.

The instruction must be an instructional program provided by the National Marrow Donor Program or other relevant nationally recognized organizations. OSPI is required to post a link on its website to this instructional program.

School districts, charter schools, and state-tribal education compact schools that serve students in any of the grades, kindergarten through eight may offer this instruction and adapt it to be age-appropriate.

These schools may offer this instruction directly or arrange for the instruction to be provided by available community-based providers. The instruction does not have to be provided by Certificated Instructional staff.

### **SSB 5072—Highly Capable program**

Senator Nobles

**C265 L23**

SSB 5072 is intended to ensure students are equitably identified for Highly Capable programs. The bill provides multiple modifications to the program.



The bill clarifies that other basic education funding may be used alongside categorical funding to identify students and provide programs and services for highly capable students.

The bill includes an intent section that expresses the Legislature's intent to allocate state funding for the Highly Capable program based on five percent of each school district's student population; however, the Legislature does not intend to limit Highly Capable services to five percent of the student population, and that school districts may identify and serve more than five percent of their students.

The bill replaces current directives for rule requirements establishing nomination and selection procedures for students with provisions directing school districts, in accordance with rules of OSPI, to implement procedures for referral, screening, assessment, identification, and placement of highly capable students. School districts must select a grade level to implement universal screening procedures for each student, but universal screening must occur once in or before second grade, and again in or before sixth grade. Referrals must be available for all grades not being universally screened, and may be submitted by teachers, other staff, parents, students, and members of the community.

School districts are required to consider at least two student data points during universal screening. These may include previously administered standardized, classroom-based, performance, cognitive, or achievement assessments, or research-based behavior ratings scales. School districts are not required to administer a new assessment for the purpose of universal screening, but they are granted discretion to do so. Any screenings or additional assessments must be conducted within the school day and at the school the student attends. However, school districts may, on a case-by-case basis and with the consent of a parent or guardian, offer student screening or additional assessment opportunities during the summer, outside of school hours, or at an alternative site.

Identification and placement decisions must be made by a multidisciplinary selection committee after consideration of the results of the universal screening, any further assessment, and any available district data.

School district practices for identifying highly capable students must seek to expand access to accelerated learning and enhanced instruction at elementary and secondary schools and advance equitable enrollment practices so that all students, especially students from historically underrepresented and low-income groups, who are ready to engage in more rigorous coursework can benefit from accelerated learning and enhanced instruction.

SSB 5072 requires that annually, beginning November 1, 2023, OSPI must make data publicly available that includes a comparison of the race, ethnicity, and low-income status of highly capable students compared to the same demographic groups in the general student population of each school district. The data reporting must also include comparisons

for students who are English language learners, have an Individualized Education Program, have a 504 plan, are covered by provisions of the McKinney-Vento Homeless Assistance Act, or are highly mobile.

The list of subgroups OSPI must disaggregate student data reports into is expanded to include a highly capable students subgroup. The list of cross-tabulation groupings that student data reports of OSPI regarding student suspensions and expulsions must adhere to is expanded to include highly capable students.

Finally, OSPI must include relevant data from these new collection requirements when reporting to the Legislature on Highly Capable programs.

NOTE: The final 2023–25 Operating Budget provides OSPI with \$91,000 for data collection and reporting requirements, as required by SSB 5072.

### **SB 5084—Self-insurance fund**

Senator Braun, by request of Department of Labor & Industries

#### **C110 L23**

Workers who, in the course of employment, are injured or disabled from an occupational disease are entitled to workers' compensation benefits, which may include medical, temporary time-loss, vocational rehabilitation benefits, and permanent disability benefits. The Department of Labor & Industries administers the state's workers' compensation system.

All employers must provide workers' compensation coverage for their employees. Most employers pay premiums to the Department of Labor & Industries for this insurance. Those are known as state fund employers because they insure through the state fund.

An employer may qualify as a self-insurer by establishing to satisfaction of the Department of Labor & Industries that the employer has sufficient financial ability to make certain the prompt payment of all workers' compensation benefits and all assessments which may become due from the employer. Those employers provide workers' compensation benefits directly to their own employees when a worker is injured in the course of employment. Self-insured employers do not pay premiums, but are assessed annually by the Department of Labor & Industries for their share of certain costs. The Department of Labor & Industries Director imposes and collects assessments each fiscal year on all self-insurers in the amount of the estimated costs of administering their portion of the workers' compensation program, including assessments for the ombuds' office.

For every case resulting in death or permanent total disability pension, a self-insurer must pay into the reserve fund a sum of money for that case equal to the estimated present cash value of the monthly payments calculated upon the basis of an annuity. The annuity values are based upon rates of mortality, disability, remarriage, and interest and the experience of the

reserve fund. The deposits are made into the reserve fund and each self-insurer has an account within the reserve fund. Each account is credited with its proportionate share of interest on the fund.

As an alternative to paying the present cash value, a self-insured employer may file a bond with the Department of Labor & Industries along with a deposit payment equal to the first three months' payments. L&I administers payments of the pensions. The self-insured employer must reimburse L&I for these payments. There are penalties if the reimbursements are late. The deposit and penalties are placed in the reserve fund.

Whenever a worker has a bodily disability from any previous injury or disease, whether known or unknown to the employer, and suffers a further disability from injury or occupational disease in employment covered under workers' compensation and becomes totally and permanently disabled from the combined effects, or dies when death was substantially accelerated by the combined effects, then:

- The experience record of a state fund employer at the time of the further injury or disease must be charged; and
- The self-insured employer must pay directly into the reserve fund only the accident cost which would have resulted solely from the further injury or disease, had there been no preexisting disability.

The accident cost must be based upon an evaluation of the disability by medical experts. The difference between the charge assessed to the employer at the time of the further injury or disease and the total cost of the pension reserve is assessed against the second injury fund.

There is also a second injury fund, administered by the Department of Labor & Industries, at the State Treasurer's Office. The purpose of the fund is to defray employer charges and support return-to-work outcomes. Payments are made to the fund from the accident and experience-rated assessments on self-insured employers. There is a calculation for these assessments. Current law does not address interest earnings on the second injury fund so the interest is deposited into the general fund.

The Department of Labor & Industries may make periodic temporary interfund transfers between the reserve and supplemental pension funds to provide for payments from the supplemental pension fund.

SB 5084 creates a separate fund for the purposes of self-insured pensions and assessments in the State Treasurer's Office. Payments from self-insured employers related to pensions and from the overpayment's reimbursement fund are paid into the self-insurance reserve fund, rather than the reserve fund. Interest or other earnings on the self-insurance reserve fund become part of the fund. If the State Investment Board determines there are funds in excess of the amounts needed to meet the self-insurance reserve fund's current

expenditures, the State Investment Board may invest the excess funds.

The ability to make transfers between funds, includes the self-insurance reserve fund. The Department of Labor & Industries must notify the State Treasurer of transfers from the self-insurance reserve fund. L&I must provide for audits of the self-insurance reserve fund and prepare financial statements for the fund and the state fund pension reserve.

The experience of the self-insurance reserve fund is one of the factors to determine the annuity value for payment of pensions.

The second injury fund will receive its proportionate share of earnings in the fund held by the State Treasurer's Office.

There is an emergency clause for the provision related to the second injury funds. The other provisions are effective on July 1, 2025.

### **ESSB 5123—Employment/cannabis**

Senator Keiser

#### **C359 L23**

Under federal and state law, cannabis is classified as a Schedule I substance and the manufacture, possession, or distribution of Schedule I substances is a criminal offense. However, since 1998, Washington has allowed qualifying patients to use limited amounts of cannabis for medicinal purposes; and since 2012 adult-use, recreational cannabis has been legal in Washington.

ESSB 5123 specifically prohibits employers from discriminating against a person in hiring if the discrimination is based upon:

- The person's use of cannabis off the job and away from the workplace; or
- An employer-required drug screening test that identifies non-psychoactive cannabis metabolites in the person's hair, blood, urine, or other bodily fluids.

The bill does not:

- Prohibit an employer from basing initial hiring decisions on scientifically valid drug screening conducted through methods that do not screen for non-psychoactive cannabis metabolites;
- Apply to testing for controlled substances other than pre-employment, such as post-accident testing or testing because of suspicion of impairment or being under the influence of alcohol, controlled substances, medications, or other substances; or
- Affect the rights or obligation of an employer to maintain a drug and alcohol free workplace, or any other right or obligation of an employer required under federal law or regulation.

The bill includes a series of exceptions and the new law does not apply to applicants seeking a position:

- With a general authority Washington law enforcement agency;
- A fire department, fire protection district, or regional fire protection service authority;
- As a first responder, including a dispatcher position with a public or private 911 emergency communications system or a position responsible for the provision of emergency medical services;
- As a corrections officer with a jail, detention facility, or the Department of Corrections, including any position directly responsible for the custody, safety, and security of persons confined in those facilities; or
- A position in the airline or aerospace industries.

The bill also does not apply to any other safety-sensitive position for which impairment while working presents a substantial risk of death. Safety-sensitive positions must be identified by the employer prior to the applicant's application for employment.

The bill does not preempt state or federal law requiring an applicant to be tested for controlled substances as a condition of receiving employment, receiving federal funding or licensing-related benefits, or as required by federal contract. This includes laws requiring applicants to be tested or specifying the way they are tested. Employers may require an applicant to be tested for a spectrum of controlled substances, which may include cannabis, as long as the cannabis results are not provided to the employer.

### **SSB 5127—Redacting student information**

Senator Wilson, C.

#### **C182 L23**

Personal information, in any files maintained for students in public school, by the Department of Children, Youth, and Families for children enrolled in licensed child care, and for children enrolled in early learning, parks and recreation, youth development, or similar programs is exempt from public disclosure requirements. The Washington Supreme Court has defined personal information as information peculiar or proper to private concerns, rather than any information about an individual.

SSB 5127 clarifies school districts' ability to redact personal information related to a student. The bill specifies that the personal information of a child, enrolled or who has been enrolled in a school district, contained in any records, including correspondence, is exempt from public disclosure requirements.

### **ESB 5175—School principal contracts**

Senator Wellman

#### **C362 L23**

Under current law, principal contracts are limited to one year. ESB 5175 permits written contracts between a school district board of directors and a principal to be one, two, or three years in length.

A contract for a duration of more than one year may be offered if the principal has:

- Been employed as a principal for three or more consecutive years;
- Been recommended by the superintendent as a candidate for a two- or three-year contract because the principal has demonstrated the ability to stabilize instructional practices, and received a comprehensive performance rating of Level 3 or above in their most recent comprehensive performance evaluation; and
- Met the school district's requirements for satisfying an updated record check.

The bill clarifies that a contract between a board of directors and a principal for a term of three years may not be renewed before the final year of the contract.

### **ESSB 5187—2023–25 Operating Budget**

Senator Rolfes, by request of Office of Financial Management

#### **C475 L23—Partial Veto**

This is the 2023–25 Operating Budget. For details, see the Operating Budget section earlier in this Report.

### **ESSB 5200—2023–25 Capital Budget**

Senator Mullet, by request of Office of Financial Management

#### **C474 L23—Partial Veto**

This is the 2023–25 Capital Budget. For details, see the Capital Budget section earlier in this Report.

### **E2SSB 5243—High School and Beyond Plans**

Senator Wellman, by request of Superintendent of Public Instruction

#### **C271 L23**

Under current law, all high school students must have a High School and Beyond Plan (HSBP). Each HSBP must be initiated in seventh or eighth grade with a career interest and skills inventory. The plan must be updated to reflect high school assessment results, and must identify available interventions and academic support for students who are not on track to graduate.

All plans must include, among other items, an identification of career and educational goals, identification of dual credit opportunities, information on certain scholarship opportunities, and a four-year plan for course taking. Decisions on whether a student has met HSBP requirements are made at the local level.

In addition to HSBPs, districts are required to prepare student learning plans for eighth grade students who were not successful on any or all of the content areas of the state assessment in the previous school year, or who are not on track to graduate due to credit deficiencies or absences.

Student learning plans must contain certain information, including assessment results, credit deficiencies, attendance rates, academic progress, remediation strategies, and programs available to help meet graduation requirements.

E2SSB 5243 makes changes to High School and Beyond Plan Requirements.

**Planning.** In addition to existing HSBP requirements, beginning by the seventh grade, each student must be administered a career interest and skills inventory which is intended to be used to inform eighth grade course taking and development of an HSBP. No later than eighth grade, each student must have begun development of an HSBP that includes a proposed plan for first-year high school courses aligned with graduation requirements and secondary and postsecondary goals.

**Access to Academic Interventions and Supports.** School districts are required to provide students who have not met standards on state assessments or are behind in requirements, with opportunities to access certain interventions, academic supports, and courses, with parental notification.

**Language Requirements.** An HSBP must be provided in a language that the student and parents or legal guardians understand, and in accordance with the school district's language access policy and procedures. HSBPs must also include information on the potential impacts of a student's course selection on postsecondary opportunities, and information on opportunities for partial credit accrual, including mastery-based credit.

**Additional Requirements.** Additional HSBP requirements are added, including that it comply with student privacy requirements, facilitates automatic import of data, that it includes in-state labor market and postsecondary education performance data, and the ability for school districts to customize or add features unique to local needs.

School districts are strongly encouraged to partner with student serving community-based organizations that support career and college exploration and preparation for postsecondary and career pathways.

The bill also requires the adoption of a common online platform for HSBPs. OSPI must facilitate the transition to a universal online platform for HSBPs, and develop a preliminary list of existing vendors who can provide or build a platform. OSPI must submit this list and estimated transition costs to the governor and the Legislature by January 1, 2024, and must include an estimated transition timeline for statewide

implementation. OSPI must select the vendor by June 1, 2024, subject to appropriation.

To ensure equity in High School and Beyond Plans implementation and engagement across the state, the universal platform must have the capability to be routinely updated and modified in order to include specific elements and capabilities that:

- Enables students to create, personalize, and revise their High School and Beyond Plan;
- Complies with all necessary state and federal requirements for student privacy and allow for students to opt in or opt out of portions of the universal platform related to third-party information sharing;
- Uses technology that can quickly be adapted to include future statutory changes, administrative changes, or both, as well as integrate enhancements to improve the features and functionality;
- Facilitates the automatic import of academic course, credit, and grade data at a regular interval from the most commonly used district student information system platforms and manual import from less commonly used systems so that students' progress towards graduation in the HSBP is accurately reflected at any given time;
- Allows for translation into the most common non-English languages across the state in accordance with the model language access policy and procedures as required under current law (RCW 28A.183);
- Includes multiple and varied in-platform assessments with viewable results that can inform career and postsecondary goals including, but not limited to, personality, learning styles, interests, aptitudes, and skills assessments;
- Includes a catalog containing meaningful, high quality career exploration opportunities and resources beyond the traditional college, career, and aptitude assessments that are submitted by approved entities (community organizations, institutions of higher education that are authorized to participate in state financial aid programs under current law under RCW 28B.92 RCW, and employers) and vetted by state-selected approvers that allow students to register for or apply to participate in the opportunities (programs, classes, internships, pre-apprenticeships, online courses, etc.) or access the resources. The universal platform should use completion data from these opportunities to make recommendations to students to include in their high school beyond plans;
- Provides a dedicated space in which to build a direct connection to potential employers, including industry associations, trade associations, labor unions, service



branches of the military, nonprofit organizations, and other state and local community organizations so students can learn from experts in different occupational fields about career opportunities and any necessary education and training requirements;

- Provides a secure space for staff, parents or guardians, and approved community partners who support students' academic progress and career and college preparation, to make notes that can inform staff efforts to connect students to academic and career connected learning opportunities and develop support and credit recovery plans for students, as needed;
- Includes accessibility options for students needing accommodations including, but not limited to, visual aids and voice dictation for students with limited literacy skills;
- Provides indefinite access for students to their High School and Beyond Plan, regardless of current school affiliation or lack thereof, in both mobile and desktop applications, that includes the capability to download and print their plan in one document, without requiring students to access multiple screens;
- Supports inclusion of in-state labor market, apprenticeship, and postsecondary education performance data, including employment and earning outcomes, certificate and degree completion outcomes, and demographics of enrolled students or employees, to inform students' exploration and consideration of postsecondary options;
- Includes a dedicated space where students can store additional evidence of their learning and postsecondary preparation, such as videos, essays, art, awards and recognitions, screencasts, letters of recommendation, industry certifications, microcredentials or other mastery-based learning recognitions, and work-integrated learning experiences. The universal platform should include the ability for students and staff to provide access to this portfolio in its entirety or in selected parts to relevant third parties, including institutions of higher education that are authorized to participate in state financial aid programs under chapter 28B.92 RCW, branches of the military, potential employers, or pre-apprenticeship opportunities;
- Allows access to data reporting features that allow schools, districts, and state agencies to review data stored within the universal platform, and allow data to be broken down by demographic, socioeconomic, and other identified characteristics, for the purposes of analyzing student use of the universal platform, improving student access to the information, guidance, and opportunities that can help them maximize their secondary education experience and postsecondary preparation, and informing state-

level support for High School and Beyond Plan implementation;

- Provides a space for the student to indicate the graduation pathway option or options the student has selected to complete and how the selected option or options align with the student's career and postsecondary education goals; and
- Supports the ability for school districts to customize or add features unique to local needs and local graduation requirements, including the capability to auto-align data with the local school districts' graduation requirements or the ability to enter those requirements manually.

OSPI is required to ensure that the universal platform will permit postschool transition plans for qualifying students with Individualized Education Programs to be incorporated into the platform in a manner that eliminates the need to create duplicate or substantially similar transition plans in other electronic or non-electronic formats.

OSPI must develop an implementation plan for completing statewide implementation of a universal HSBP planning tool by October 1, 2024. The implementation plan must include both an estimated timeline and updated cost estimates, including the technical assistance, technology updates, ongoing maintenance requirements, and adjustments to the technology funding formula, and statewide development that may be needed. The plan may also include a cost alternative for ESDs to host the universal platform for school districts with fewer than 2,000 pupils when such a district does not have sufficient technology resources to implement and maintain the universal platform.

Within two years of completion of platform development, school districts must provide students with access to the adopted universal platform, with technical assistance provided by OSPI. In carrying out these requirements, OSPI shall seek input from various groups and organizations, including the State Board of Education, educators, school and district administrators, school counselors, career counseling specialists, families, students, the Washington Student Achievement Council, institutions of higher education that are authorized to participate in state financial aid programs under chapter 28B.92 RCW, and community partners who support students' career and college preparation. OSPI may also partner with existing community and regional networks and organizations who support students' career and college preparation in the analysis, selection, and implementation of the universal platform.

**Additional Policy Recommendations.** After selection of the vendor for a universal HSBP platform, OSPI shall report recommendations for additional policy changes related to the HSBP platform to the governor and the Legislature. The recommendations should examine and include:

- A way to begin student use of a learning plan that utilizes the universal platform no later than the fifth grade;
- Strategies for students to share their interests and engage with peers and mentors in order to obtain ongoing feedback and access to activities and learning opportunities that connect with their goals;
- Recommended calendar, schedule and delivery options for students updating their plans multiple times per year; and
- Strategies to increase student and family engagement.

The State Board of Education shall develop recommendations on how the HSBP could be modified to further support student choice and flexibility in meeting graduation requirements and preparing for postsecondary education and training, including increasing access to mastery-based learning and mastery-based crediting opportunities.

Both reports must be submitted to the governor and the Legislature by August 1, 2025.

Finally, the bill repeals current law provisions related to student learning plans.

#### **ESSB 5257—School recess**

Senator Nobles

**C272 L23**

Current law sets out goals for food choice, physical activity, and childhood fitness. The 2010 goal was that all students in grades 1 through 8 should have at least 150 minutes of quality physical education every week and that this education would be conducted by appropriately certified instructors.

Current OSPI rules require students in grades 1 through 8 to receive at least 100 instructional minutes in physical education per week unless waived. For students in grades 9 through 12, one credit course must be offered in physical education for each high school grade.

ESSB 5257 implements daily recess requirements. Beginning with the 2024–25 school year, public schools must provide a minimum of 30 minutes of daily recess each school day that exceeds five hours for all students in grades K–5 and students in grade six that attend an elementary school.

OSPI may waive the requirement during the 2024–25 school year for public schools demonstrating they are unable to comply.

Public schools may provide additional recess before or after school, but that time may not be used to meet the requirements. Time spent changing to and from clothes for outdoor play should not be used to meet the requirements.

Recess must be supervised and student-directed and must aim to be safe, inclusive, and high quality. It may include

organized games, but public schools should avoid including, or permitting the student use of, computers, tablets, or phones during recess.

Recess should be held outside whenever possible. If recess is held indoors, public schools should use an appropriate space that promotes physical activity.

The bill clarifies that daily recess may not be used to meet the physical education requirements.

Additionally, the bill requires WSSDA, with the assistance of OSPI, to review and update a model policy and procedure regarding nutrition, health, and physical education by April 1, 2024. The model must:

- Aim to make recess safe, inclusive, and high quality;
- Encourage physical activity breaks for middle and high school students;
- Align with the daily recess requirements;
- Encourage elementary school recess to be scheduled before lunch whenever possible;
- Discourage withholding recess as a disciplinary or punitive action except when there is an immediate threat to safety;
- Discourage the withholding of recess to have a student complete academic work;
- Prohibit the use of physical activity as a punishment; and
- Align with corporal punishment requirements.

By the beginning of the 2024–25 school year, school districts must adopt or amend, if necessary, policies and procedures that, at a minimum, incorporate all the elements in the model.

NOTE: The final 2023–25 Operating Budget provides \$17,000 for WSSDA and OSPI to revise a model policy and procedure on nutrition, health, and physical education, as required by SSB 5257.

#### **SSB 5275—Access to SEBB benefits**

Senator Robinson

**C13 L23**

Health care benefits for eligible school employees are provided by the School Employees' Benefits Board (SEBB). Eligible state employees are provided healthcare benefits through the Public Employees' Benefits Board (PEBB). Local governments, tribal governments, and employee organizations representing state employees have the option of providing benefits through PEBB. Employers providing healthcare through PEBB determine the terms of employee and dependent eligibility and must pay premiums set by the Health Care Authority (HCA).

SSB 5275 expands access to benefits provided by the School Employees' Benefits Board. Under provisions of the bill,

state-tribal education compact schools, employee organizations representing school employees, and school board directors may enter into a contract with the HCA to provide health care benefits to their employees through SEBB beginning January 1, 2024. Employers opting in to coverage under SEBB may determine the terms of employee and dependent eligibility and must pay premiums set by HCA.

The Health Care Authority is empowered to approve or deny applications and monitor federal guidelines on negligible participation by employees who are not substantially performing essential governmental functions and may limit enrollment for employer groups, if it becomes necessary.

### **ESSB 5294—Retirement system funding**

Senator Rolfes, by request of Office of Financial Management  
**C396 L23**

The Public Employees' Retirement System Plan 1 (PERS 1) and the Teachers' Retirement System Plan 1 (TRS 1) closed to new members in 1997 because the cost of providing benefits to new members was projected to be significantly higher than the contributions. When the plans were closed, a system to fund the unfunded portion of the liabilities associated with PERS 1 and TRS 1 was created. In 2009, an Unfunded Actuarial Accrued Liability (UAAL) rate was established to fund the unfunded portion of the liabilities associated with PERS 1 and TRS 1.

The UAAL rate is collected in addition to the base funding rates and are only paid by employers for all employees in TRS for TRS 1, and by employers on all employees in PERS, the School Employees' Retirement System, and the Public Safety Employees' Retirement System for PERS 1. Current estimates by the Office of the State Actuary show that under the current rate setting methodology, PERS 1 and TRS 1 may be significantly overfunded by 2027 and beyond.

In the 2021–23 Biennial Operating Budget, \$800 million was appropriated for deposit on June 30, 2023, into the TRS 1 fund to increase the funded status of the plan. Based on current actuarial projections this amount is expected to exceed the total UAAL on that date.

ESSB 5294 eliminates the current Unfunded Actuarial Accrued Liability (UAAL) rates after Fiscal Year 2023 (currently, 3.5 percent for TRS 1; 5.75 percent for PERS 1); and establishes the following UAAL contribution rates:

- For TRS 1, the rate is set at 0.5 percent for Fiscal Years 2024 and 2025, and 0.0 percent in Fiscal Years 2026 and 2027; and
- For PERS 1, the rate is set at 2.5 percent in Fiscal Year 2024, 2.0 percent in Fiscal Year 2025, 1.5 percent in Fiscal Year 2026, and 0.5 percent in Fiscal Year 2027.

Beginning July 1, 2027, a new minimum UAAL rate is established for both TRS 1 and PERS 1 of 0.5 percent.

The bill also reduces the scheduled payment of \$800 million into the TRS 1 fund to \$250 million.

The reduction of the scheduled TRS 1 payment and the reduction in UAAL rates provides savings for both the state and local governments, including school districts.

NOTE: The final 2023–25 Operating Budget “books” a savings of \$1.35 billion over the next two years to account for the reduction in pension contributions (\$804.0 million) and reducing the scheduled payment to TRS 1 (\$550.0 million).

### **2SSB 5268—Public works procurement**

Senator Hasegawa

**C395 L23**

Under current law, small works rosters consist of responsible contractors who have requested to be on the list and, where required by law, are properly licensed and registered to do work in Washington. Contractors on small works rosters can bid for eligible projects below \$350,000. Agencies may require prospective contractors to keep current records of any applicable licenses, certifications, registrations, bonding, insurance, or other appropriate matters on file with the appropriate state agency or local government as a condition of being placed on a roster. A state agency or authorized local government may create a single general small works roster, or may create a small works roster for different specialties or categories of anticipated work. A roster can make distinctions between contractors based upon different geographic areas served by the contractor.

2SSB 5268 addresses equity and efficiencies in public works procurement and modifies small works roster requirements. A state agency or authorized local government establishing a small works roster must require contractors who desire to be placed on the roster to indicate if they meet the definition of a women and minority-owned business, veteran-owned business, or small business. As a condition of being placed on the roster and award of contract, contractors must keep current records of any applicable licenses, certifications, registrations, bonding insurance, or other appropriate matters on file with the appropriate agency. At least once per year, the state agency or local government must publish a solicitation of contractors for the roster in a newspaper of general circulation, providing the Office of Minority and Women's Business Enterprises (OMWBE) directory of certified firms a notice of the existence of the roster.

The Department of Commerce, through the Municipal Research and Services Center (MRSC), must develop a statewide small works roster by June 30, 2024. MRSC must develop criteria for the statewide roster with collaboration from affected state and local agencies. The roster must have features to filter the roster by different specialties, categories of anticipated work, or geographic areas served by contractors. The roster must also indicate whether the contractor is designated as a small business. The Department of Commerce must provide funding to the program as appropriated to



maintain and publicize a small works roster, and work with MRSC to notify state and local governments authorized to use small works rosters. State agencies and authorized local governments using small works rosters must establish procedures for implementation.

The Department of Enterprise Services is required to develop and make available on its website templates for bid invitations, bidding, and contracting that may be used by state agencies, authorized local governments, and contractors.

A state agency or authorized local government contracting through a small works roster must invite bids notifying all contractors on the applicable roster that have indicated interest in performing work in the applicable geographic area.

For small public works projects with an estimated cost less than \$150,000 state agencies and local governments may, and are encouraged to, direct contract with small businesses without a competitive process before direct contracting with other contractors on the appropriate small works roster. When using direct contracting, a state agency or authorized local government must notify small, minority, women, or veteran owned businesses on the applicable roster.

If there are six or more contractors meeting the definition of small businesses on the applicable roster, the state agency or authorized local government must direct contract with one of those small businesses that have interest in performing work in the applicable geographic area. A state agency or authorized local government must rotate through the contractors on the appropriate small works roster. When qualified contractors are available from the roster who may perform the work or deliver the services within the budget described in the notice or request for proposals, a state agency or authorized local government must utilize different contractors on different projects.

If there are five or fewer contractors meeting the definition of small business on the applicable roster, the state agency or authorized local government may direct contract with any contractor on the applicable roster.

For small public works contracts under \$5,000, there is no requirement for retainage or performance bonds. After the award is made, the bid quotations must be recorded and publicly available. State agencies and authorized local governments must annually publish a list of small works contracts awarded and the contractors contacted for direct negotiation.

The bill also adds a public works small business certification program to the Administrative Procedures Act. OMWBE must adopt rules governing a public works small business certification plan.

Additionally, the bill replaces references to disadvantaged business enterprises with references to small and women, minority, or veteran-owned small business entities. The

Department of Enterprise Services is no longer required to conduct a survey and compile the results into a list of which states provide a bidding preference on public works contracts for their resident contractors.

NOTE: The final 2023–25 Operating Budget appropriates \$3.2 million to implement 2SSB 5268. The funding is distributed as follows:

- \$1.5 million to the Department of Commerce to develop a statewide small works roster by June 30, 2024;
- \$1.1 million to the Office of Minority & Women's Business Enterprises to establish a state small business certification program;
- \$354,000 in one-time funding to the Department of Labor & Industries for IT changes of the existing Prevailing Wage Program and for rulemaking activities to 2SSB 5268; and
- \$273,000 to the Department of Veterans' Affairs to maintain an active current registry of certified veteran-owned businesses.

### **E2SSB 5315— Special education/nonpublic agencies**

Senator Wilson, by request of Superintendent of Public Instruction

#### **C436 L23**

E2SSB 5315 addresses: responsibilities of nonpublic agencies that provide special education services; and roles and responsibilities of OSPI, the State Board of Education, and school districts in the process.

The bill replaces the term “nonpublic agency” with the term “authorized entity” which means a private school approved by the State Board of Education, another private in-state entity, or any out-of-state entity that has been authorized by OSPI to contract with a school district to provide a program of special education for students with disabilities.

OSPI is given the duty and authority to establish standards for authorizing, monitoring, and investigating authorized entities that contract with school districts to provide special education programs for students with disabilities. All standards must ensure that any student served by an authorized entity has the same rights, protections, and access to special education and related services that they would have if served by a school district.

OSPI is required to create an application process to authorize entities that contract with school districts to provide special education services to students with disabilities. Private schools approved by the State Board may be authorized for up to five years, and all other entities may be approved for up to three years.

To qualify for authorization an entity must, at a minimum, meet the following requirements:



- Offer a program of basic education that will provide:
  - opportunities for students to meet basic education goals, in accordance with an individual assessment of student strengths and needs; and
  - opportunities for students in grades 9 through 12 to either meet high school graduation requirements or a high school equivalency certificate;
- Maintain applicable facility licenses and agency approvals;
- Employ or contract with teachers and related services staff who meet licensing requirements;
- Meet applicable fire codes and health and safety standards;
- Demonstrate through audits that it is financially stable and has accounting systems that allow for separation of school district funds, including financial safeguards to track revenues and expenditures associated with student placements;
- Demonstrate that it has procedures in place that address staff employment and contracting, including conducting reference checks, criminal background checks, and staff evaluations; and
- Maintain a policy of nondiscrimination and provide procedural safeguards for students and their families.

Before authorizing an entity, OSPI must conduct an onsite inspection to ensure that the entity's facilities, staffing qualifications and levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment. OSPI must prohibit authorized entities from charging tuition or fees to students placed in the authorized entity by a school district.

OSPI is required to develop and publish on its website a complaint process for individuals to report noncompliance or violations of student rights at authorized entities. The webpage may include additional instructions for submitting complaints to the resident school district and for using the special education community complaint processes, when applicable. OSPI must monitor and investigate authorized entities and contracting school districts to ensure compliance with all requirements by using information and data gathered during on-site visits, submitted through the complaint processes, and provided by entities and districts. OSPI must use this process to identify and address patterns of misconduct at authorized entities, including issuing corrective action or revoking authorization.

OSPI may suspend, revoke, or refuse to renew its authorization approval of an entity if the entity fails to maintain authorization standards, fails to comply with all school district contract elements, violates the rights of students, fails to adhere to applicable laws, fails to comply with

contract requirements, or refuses to implement any corrective actions ordered by OSPI. OSPI must notify the State Board of Education if any authorized entity that is also approved by the State Board as a private school is investigated for noncompliance, is directed to complete corrective action, or fails to maintain authorization. The State Board must notify OSPI of any unresolved concerns, deficiencies, or deviations related to a private school authorized by OSPI.

Under provisions of E2SSB 5315, a school district that chooses to contract with an authorized entity must develop a written contract to establish the responsibilities of the school district and entity and set forth the rights of the students receiving special education services. The contract must include, at a minimum, the following elements:

- The names of the parties involved and the name of the student;
- The locations and settings of the services to be provided;
- A description of the opportunities to meet basic education goals and graduation requirements;
- A schedule for the authorized entity to provide a student progress report to the school district at least once per academic term, describing how the student is meeting personalized learning outcomes;
- The total contract cost and applicable charge and reimbursement systems, including billing and payment procedures;
- Acknowledgement that the authorized entity is responsible for full reimbursement to the school district of any overpayments made by the district;
- Acknowledgement that the authorized entity has a list of staff members providing special education services and a copy of the license that qualifies the staff to provide those services;
- An agreement by the authorized entity to employ or contract with at least one licensed teacher with a special education endorsement;
- Acknowledgement that the staff of the authorized entity are regularly trained on eight specified topics (constitutional and civil rights of students; child/adolescent development; trauma-informed practices; cultural competency, diversity, equity, and inclusion, including best practices for interacting with students from diverse backgrounds; isolation and restraint requirements; requirements of the Federal Family Educational Rights and Privacy Act; student mental health issues; and educational rights of students with disabilities, the relationship of disability to behavior, and best practices for interacting with students with disabilities);
- Acknowledgement that the school district and authorized entity have clearly established their

respective responsibilities and processes for data collection and reporting for students;

- Acknowledgement that the authorized entity must comply with isolation and restraint procedures;
- Acknowledgement that the authorized entity must submit complaints to the school district, and any other required information to the school district and OSPI;
- Acknowledgement of specified notification requirements;
- Acknowledgement that the authorized entity must comply with all relevant state and federal laws that are applicable to the school district; and
- Acknowledgement that the school district must provide OSPI with the opportunity to review the contract and related documentation upon request.

A school district remains responsible for ensuring that the student being served is provided with a free appropriate public education, provided with special education, and related services at no cost to the student's parents and in conformance with an Individualized Education Program, and provided with an opportunity to participate in state and district assessments.

A school district must conduct an annual onsite visit to ensure that an authorized entity's facilities, staffing qualifications and levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment for students. A contracting school district may arrange for another school district to complete the annual on-site visit on its behalf, so long as the school district conducting the on-site visit provides a written report to the contracting school district that documents the results of the on-site visit and any concerns about the learning environment.

A school district must provide, to the parents or guardians of the student being served, a summary of the district and authorized entity's responsibilities and processes for reporting incidents of isolation and restraint and a copy of the complaint procedure developed by OSPI.

A school district contracting with an authorized entity must also report to OSPI and the State Auditor with any concerns the school district has about overbilling by the authorized entity.

Beginning December 1, 2023, OSPI must annually submit a report to the Legislature regarding student placements at authorized entities. The data published in the report must be disaggregated by authorized entity when it is possible to do so without disclosing a student's personally identifiable information. A summary of the report, including a link to the full report content, must be posted on the OSPI website. The report must include:

- The academic progress of students receiving special education services from authorized entities, using the results of the two most recent state assessments;

- The graduation rates of students who have received special education services from authorized entities;
- The rate at which students receiving special education services from authorized entities return to their resident school districts;
- Data on restraint and isolation incidents, discipline, and attendance at authorized entities; and any corrective action or change in an authorized entity's authorization status, as ordered by OSPI.

If a student is served by an authorized entity, the student's Individualized Education Program must specify any additional procedures required to ensure the authorized entity fully complies with restraint and isolation procedures.

Finally, the State Auditor is required to conduct a performance audit of the authorization, monitoring, and investigation of authorized entities and contracting school districts. As appropriate, the State Auditor must make recommendations for improving the system for overseeing authorized entities. The performance audit may be conducted using a sample of school districts and authorized entities as needed. The State Auditor must report its findings and recommendations to the governor and Legislature by November 30, 2026.

NOTE: The final 2023–25 Operating Budget provides OSPI with \$245,000 to implement E2SSB 5315.

### **SB 5350—PERS/TRS 1 benefit increase**

Senator Conway, request by Select Committee on Pension Policy

#### **C 397 L23**

SB 5350 provides a one-time, three percent benefit increase to Public Employees' Retirement System (PERS) Plan 1 and Teachers' Retirement System (TRS) Plan 1 retirees up to a maximum of \$110 per month. The benefit increase goes into effect on July 1, 2023. To be eligible for the increase the member must be retired on or before July 1, 2022. This increase only applies to members that are not receiving a minimum benefit.

Additionally, the Select Committee on Pension Policy is directed to study and recommend an ongoing Cost-of-Living Adjustment (COLA) for Plan 1 retirees. The recommendation must consider employer contribution rate stability and coordinate the effective date with the reduction or elimination of the Unfunded Actuarial Accrued Liability.

### **ESB 5355—Sex trafficking education**

Senator Wilson

#### **C328 L23**

ESB 5355 mandates instruction on sex trafficking prevention and identification for students in grades 7 through 12.

Beginning no later than the 2025–26 school year, school districts, charter schools, and state-tribal education compact schools must offer instruction in sex trafficking awareness and

prevention. The instruction may be offered beginning in grade seven, but each student must be offered the instruction at least once before completing grade 12.

The instruction may, at the discretion of the school or school district, be integrated into a relevant course or a course may be repurposed to include this instruction.

Subject to appropriations, on or before June 30, 2024, OSPI must review curricula related to the awareness and prevention of sex trafficking (NOTE: The final 2023–25 Operating Budget does not provide funding for this purpose). To the extent practicable, OSPI must make available in the library of openly licensed courseware, curricular resources related to the awareness and prevention of sex trafficking that include:

- Information about the race, gender, and socioeconomic status of sex trafficking victims and perpetrators;
- Medically and legally accurate definitions and information about term stigmatization and how it may reduce reporting and increase the difficulty of detecting and prosecuting sex trafficking crimes;
- Information about reporting systems and community engagement opportunities, and basic identification training to determine if an individual is at risk of or has been sex trafficked; and
- Information to help students recognize the signs and behavior changes in others that may indicate grooming for sex trafficking or other unlawful, coercive relationships.

The bill creates the Child Sexual Abuse and Sex Trafficking Prevention and Identification Public-Private Partnership Account in the custody of the state treasurer. All receipts from gifts, grants, or endowments from public or private sources, federal funds, and any appropriations made by the Legislature or other sources must be deposited into the Account. Expenditures from the Account may be used only for curriculum and professional development to support instruction on child sexual abuse and sex trafficking prevention and identification. Only OSPI may authorize expenditures from the Account.

#### **ESSB 5365—Vapor and tobacco/minors**

Senator Saldaña

#### **C398 L23**

Under current law, a peace officer or a Liquor and Cannabis Board officer may detain persons under 21 to determine their identity and date of birth, and seize the products. A person under the age of 18 who purchases or attempts to purchase, possesses, or obtains or attempts to obtain cigarette, tobacco, or vapor products commits a Class 3 civil infraction, and is subject to a fine up to \$50 or participation in up to four hours of community restitution, or both.

ESSB 5365 modifies the provisions related to persons under age 18. The current sanctions and fines for purchasing or

possessing cigarettes, tobacco, or vapor products by persons under 18 are modified to participation in up to four hours of community service and referral to a smoking cessation program at no cost. Only Liquor and Cannabis Board enforcement officers may detain persons under 18 to determine their identity and date of birth, and seize the products if the actions are in proximity to a retailer licensee, which is within 100 feet or less.

A Liquor and Cannabis Board enforcement officer who detains certain persons under 21 must collect the following information:

- The total number of interactions where an enforcement officer detained a person;
- Information on the nature of each interaction, including the duration of the interaction, the justification for the interaction, the number of such persons who were under 18 years of age, the number of such persons who were over 18 but under 21 years of age, and whether any citation or warning was issued;
- How many interactions converted to administrative violation notices; and
- How many of the interactions and administrative violation notices converted to retailer education and violations.

The Liquor and Cannabis Board is required to compile the collected information along with any associated demographic data in its possession, and conduct a comparative analysis of all interactions of enforcement officers with persons detained while enforcing liquor and cannabis laws and provide the Legislature an annual report beginning on December 1, 2023.

All enforcement officers of the Liquor and Cannabis Board who enforce these provisions and will have interactions with persons under the age of 18 years old must begin receiving training from the United States Department of Justice Office of Juvenile Justice and Delinquency Prevention before to July 1, 2024.

NOTE: The final 2023–25 Operating Budget provides one-time funding of \$4,000 to update the Liquor and Cannabis Board's information technology system.

#### **SB 5403—School depreciation subfund**

Senator Schoesler

#### **C402 L23**

SB 5403 requires school districts with fewer than 2,000 students to establish a depreciation subfund within their general fund to reserve funds for future facility and equipment needs. Up to two percent of a school district's general fund may be (not required) deposited into the depreciation subfund each fiscal year for emergency facility needs and preventative maintenance.

Preventative maintenance must be necessary to realize the originally anticipated useful life of a building or facility, and includes:

- Exterior painting of facilities;
- Replacement or renovation of roofing, exterior walls, windows, heating, air conditioning, ventilation systems, floor coverings, electrical systems, and plumbing systems; and
- Renovation of playfields, athletic facilities, and other district real property.

School districts, subject to applicable public works bid limits, may use school district employees to perform preventative maintenance with moneys from the subfund, but moneys from the subfund may not be used for employee compensation unrelated to authorized subfund uses.

NOTE: The final 2023–25 Operating Budget provides OSPI with \$39,000 to implement SB 5403.

### **SB 5452—Impact fees use**

Senator Shewmake

**C121 L23**

Under the Growth Management Act, fully planning jurisdictions may impose impact fees on development activity as part of financing public facilities needed to serve new growth and development. This financing must provide a balance between impact fees and other sources of public funds and cannot rely solely on impact fees.

Current law stipulates that impact fees may only be imposed for system improvements reasonably related to the new development, may not exceed a proportionate share of the costs of system improvements, and must be used for system improvements that will reasonably benefit the new development.

Impact fees may be collected and spent only for qualifying public facilities included within capital facilities plan element of a comprehensive plan. Public facilities, within the context of impact fee statutes, are the following capital facilities owned or operated by government entities:

- Public streets and roads;
- Publicly owned parks, open space, and recreation facilities;
- School facilities; and
- Fire protection facilities.

Local governments collecting impact fees must produce an annual report detailing the fees that have been collected and what they have been used for. Impact fees must generally be collected prior to construction, and must be kept in a separate account depending on the type of public facility it was collected for. If impact fees are not used within ten years of collection, they generally, must be returned.

SB 5452 amends the definition of public facilities to add bicycle and pedestrian facilities that were designed with multimodal commuting as an intended use.

### **E2SSB 5582—Nurse supply**

Senator Holy

**C126 L23**

Registered nurses (RN), licensed practical nurses (LPN), and certified nursing assistants (CNA) continuously rank among the most in-demand careers in Washington State with exceptionally long vacancies. E2SSB 5582 is a comprehensive bill intended to reduce barriers and expanding educational opportunities to increase the supply of nurses in Washington.

The bill expands nursing credential opportunities in the state's Community and Technical Colleges; establishes a Licensed Practical Nurse Apprenticeship Pathway Program; creates the Home Care Aid to LPN Apprenticeship Pathway Program; and establishes a marketing program to advertise available nurse training opportunities and jobs in Washington.

The bill also provides for additional training opportunities, permitting the Nursing Care Quality Assurance Commission (NCQAC) to grant approval to bachelor's degrees in nursing programs where the nurse administrator holds a graduate degree with a major in nursing and sufficient experience. NCQAC is also required to expand the Student Nurse Preceptor Grant Program, with a focus on serving acute shortage areas including rural and underserved communities and long-term care facilities.

Specifically impacting K–12 education, E2SSB 5582 establishes a K–12 pathway into health care. OSPI is required to establish and administer a grant program for the purpose of supporting high school Career and Technical Education programs in starting or expanding offerings in health science programs. In addition, the Nursing Care Quality Assurance Commission, in collaboration with rural hospitals, relevant employer and exclusive bargaining unit partnerships, nursing assistant-certified training programs, the Department of Health, and the Department of Labor & Industries, is required to establish at least two pilot projects for rural hospitals to utilize high school students who are training to become nursing assistant-certified or high school students who are nursing assistant-certified to help address the workforce shortages and promote nursing careers in rural hospitals. As part of the program, students must receive information about related careers and educational and training opportunities including certified medical assistants, licensed practical nurses, and registered nurses.

NOTE: The final 2023–25 Operating Budget provides a total of \$6.7 million to implement E2SSB 5582. Funding is provided to multiple agencies for various purposes as outlined in the bill: the Department of Labor & Industries is provided \$275,000; the Department of Health is provided \$1.2 million; the Community & Technical College System is provided \$882,000; and the Workforce Training & Education



Coordinating Board is provided \$256,000. The largest appropriation is provided to OSPI. \$4.2 million is provided to implement a Career and Technical Education grant program in health sciences, as required by the bill.

### **SSB 5586—Paid leave data**

Senator King

#### **C375 L23**

In general, Paid Family and Medical Leave (PFML) records and information are held private and confidential by the Employment Security Department. This includes information pertaining to employees and employers. An individual must have access to information concerning that individual held by the Employment Security Department unless the information is exempt from disclosure under the Public Records Act. Similarly, an employer must have access to its own information relating to any claim or determination for family or medical leave benefits by an individual; information relating to a decision to allow or deny benefits if the decision is based on material information provided by the employer; and information related to the employer's premium assessment.

SSB 5586 modifies provisions related to the release of an employee's Paid Family and Medical Leave records.

The bill defines "interested party" as a current employer, a current employer's third-party administrator, or an employee. The Employment Security Department may specify the term further in rule.

An interested party may have access to the following information related to the employee's claim:

- Type of leave being taken;
- Requested duration of leave including the approved dates of leave; and
- Whether the employee was approved for benefits and paid benefits for any given week.

Information provided is considered to be accurate based on the Employment Security Department's information at the time of the request and may only be used to administer internal employer leave or benefit practices under established employer policies. The Employment Security Department may investigate unauthorized uses of records and information in accordance with existing PFML law regarding unlawful practices.

NOTE: The final 2023–25 Operating Budget provides \$2.9 million to the Employment Security Department to implement SSB 5586.

### **2SSB 5593— Student data transfer**

Senator Liias

#### **C406 L23**

Under the current system of information sharing, Washington's institutions of higher education are only able to contact less than half of graduating students, most of which are students

who take pre-college exams. The purpose of 2SSB 5593 is to improve equity by informing more students, especially students of color or low-income students, about postsecondary opportunities who may otherwise not receive this information.

The bill requires public institutions of higher education in Washington to enter into datasharing agreements with OSPI to facilitate the transfer of high school student directory information, specifically for the purpose of informing Washington high school students of postsecondary educational opportunities available in the state.

Federally designated minority-serving institutions of higher education that are bachelor's degree-granting institutions and not subject to the data-sharing agreement requirements for public institutions of higher education are permitted to enter into data-sharing agreements with OSPI for the same purpose of informing students about postsecondary educational opportunities in the state.

Data-sharing agreements must provide for the sharing of student enrollment and outcome information from institutions of higher education to OSPI and must include the statewide identifier for each student. To the extent feasible, OSPI must transmit student enrollment information to the enrolled students' host districts for the current year, and shall identify a process for making this information available to school districts by the 2025–26 school year.

Beginning in 2024, each school district that operates a high school must annually transmit directory information of all enrolled high school students to OSPI by November 1st. OSPI must hold this information and make the information available to the state's public institutions of higher education.

Agreements entered into between institutions of higher education and OSPI must obligate institutions that will receive information through an agreement to maintain the statewide student identifier for each student. "Statewide student identifier" is defined as the statewide student identifier that is required by state law and included in the longitudinal student data system of OSPI.

Data-sharing agreements entered into by a Community or Technical College (CTC) are limited to informing Washington high school students of postsecondary educational opportunities available within a college's service district. The State Board for Community and Technical Colleges (SBCTC) may coordinate with all of the Community and Technical Colleges to develop a single data-sharing agreement between the CTCs and OSPI.

When transmitting student information, school districts must comply with consent procedures under state and federal law, as well as all applicable rules and regulations.

NOTE: The final 2023–25 Operating Budget provides \$968,000 to OSPI to implement 2SSB 5593.

**SSB 5617—Skills Center course equivalencies**

Senator Wellman

**C407 L23**

Credits awarded through a Career & Technical Education (CTE) course apply to core academic and graduation requirements if equivalency requirements are met. High schools or school districts must have course equivalencies for CTE courses offered to students in high schools and skill centers.

OSPI is required to support school district efforts to adopt course equivalencies by, in part, recommending CTE curriculum that is suitable for equivalencies, publicizing best practices of districts in developing and adopting equivalencies, and providing related technical assistance and guidance to school districts. Any statewide equivalency course offered by a school district or accessed at a Skills Center must be offered for academic credit.

SSB 5617 requires interdistrict cooperative agreements between all participating school districts in a Skills Center must stipulate that any approved state and local equivalency courses offered by the host district must be honored as equivalency courses by all school districts participating in the Skills Center. The list of approved local and state equivalency courses must be provided by the host district to participating districts on an annual basis by September 1st.

OSPI is required to conduct a review of equivalency implementation requirements and provide technical assistance to districts to ensure state course equivalencies are being consistently offered for academic credit for students at high schools and Skills Centers. School districts must include recommendations for increasing access to equivalency coursework as part of their annual CTE reporting requirements.

Students served at any core, branch, or satellite Skills Center campus must have access to academic credit for any approved local or state equivalency courses offered at those sites.

Prior to course scheduling or course registration for the next school term, each public school that serves students in any of grades 9 through 12 must provide all students and their parents or legal guardians with information about the opportunities for meeting credit-based graduation requirements through CTE equivalency courses, including those available within the school district or at a Skills Center.

Subject to the appropriation of funds, OSPI is required to convene a technical work group to develop a course equivalency crosswalk for technology-based competitive student activities that complies with equivalency and content requirements. The work group shall include educators that have experience with technology-based competitive student activities.

Finally, SSB 5617 requires OSPI to develop and approve course equivalencies based on the work of the technical work group.

NOTE: The 2023-24 Operating Budget provides \$87,000—considered sufficient funding—to establish the required technical work group.

**ESB 5650—K–12 inflationary increases**

Senator Rolfes

**C50 L23**

Following the 2017 *McCleary* “solution” (EHB 2242), the Legislature allocates money to each school district for state-funded employee salaries and associated fringe benefits. Salary funding is allocated to school districts based on minimum statewide average salaries for each of the three school staffing categories: Certificated Instructional Staff (CIS), Certificated Administrative Staff (CAS), and Classified Staff (CLS). The law requires these salary allocations to be adjusted annually for inflation, which is defined as the Implicit Price Deflator (IPD) for that Fiscal Year. Unfortunately, there is a disconnect in calendars. The state budget runs on a two-year cycle, beginning on July 1 and ending in the second year on June 30, while school district budgets run from September 1 to August 31, and IPD is calculated on a calendar year, from January 1 to December 31. Due to these differences, there has been a lag in data and state-funded inflation has not kept up actual inflation (especially in the last couple of years with historic increases in inflation). This is why the Legislature adopted an inflationary “rebase” of 5.5 percent in 2022, when “actual” inflation was closer to 2.8 percent.

ESB 5650 provides for more stability and predictability in determining the annual inflationary factor for educator compensation. The bill redefines the Inflationary Adjustment Index as follows:

- For the 2023–24 school year, the Inflationary Adjustment is defined as 3.7 percent; and
- Beginning with the 2024–25 school year, the Inflationary Adjustment Index is defined as the IPD for “the previous calendar year as of the beginning of the school year.”

NOTE: The final 2023–25 Operating Budget includes an inflationary factor of 3.7 percent for the 2023–24 school year and a projected inflationary factor of 3.9 percent for the 2024–25 school year. The second-year increase is a projection based on Economic & Revenue Forecast Council estimates and could change; however, by mid-January, 2024, we will have a confirmation of the IPD for 2023—and with it, an early understanding of the inflationary factor that will be adopted in the 2024 Supplemental Operating Budget. This will provide both the Legislature and school districts additional stability and predictability in determining salary costs—in 2024 and beyond.

The final 2023–25 Operating Budget provides \$261.3 million to fund the adopted 3.7 percent and 3.9 percent inflationary increases in the statewide average salary allocations going to districts.

# Education-Related Bills That Died—Titles

As noted in the previous section, almost 1,700 bills, resolutions, and memorials were introduced in the 2023 Session and WASA actively tracked over 500 of those pieces of legislation that had either direct or potentially indirect impacts on K–12 education. Obviously, it is important to be aware of education legislation that was adopted so you can understand the impacts—policy requirements, reporting obligations, and fiscal implications, to name a few. But what is the point of including dead bills in this Report? There are many reasons, but here are three key motives:

1. While we can never be 100 percent successful in advancing our priorities, we can take solace in the fact that many, many negative bills never made it to the finish line either. In fact, there are times when it is more important and positively impactful to kill a bad bill, than it is to get a good bill adopted.
2. By reviewing bills that were unsuccessful (along with those bills that passed), you can gain some insight into priorities of legislators—which can provide a bit of a preview of what may be coming in the future. Seldom is a bill a one-and-done proposition. Even the simplest, noncontroversial bill can take three or four years to be adopted. And especially for those bad bills, we can be better prepared when they creep back out of the swamp.
3. Washington operates on a biennial cycle with a two-year Legislature; 2023 is the first year of the Legislature’s 68th Biennial Session. It is technically more accurate to refer to the following bills as being “dormant,” rather than dead, because ALL of these bills will be automatically reintroduced in the Legislature’s second-year session in 2024. Bills that had any movement in their original house will remain at the highest level they achieved in 2023 and bills that moved to the opposite house will revert to their original house’s Rules Committee and be placed on the Third Reading Calendar, ready for final passage.

HB 1003.....Dual credit access	HB 1320/SB 5061 ..... Personnel records
HB 1011..... Long-term Services Program	HB 1328.....Family stipends
HB 1044..... Small school capital assistance	HB 1332..... Tribal curriculum
HB 1064.....School safety capital grants	HB 1354..... School volunteers/conviction
HB 1071..... School Resource Officers	HB 1368/SB 5431 ..... Zero-emission school buses
HB 1092..... State Property Tax	HB 1373..... Illegal encampment removal
HB 1093.....Family Empowerment Scholarship	HB 1374/SB 5305 ..... Career Connect Office
HB 1096/SB 5731 ..... Assaults on sports officials	HB 1376..... Standards of practice
HB 1105..... Public comment notice	HB 1377..... Continuing education
HB 1109..... Special education funding	HB 1386..... Youth development grants
HB 1113..... Professional educator reprimands	HB 1392/SB 5464 ..... Electronics repair
HB 1118..... School bus safety cameras	HB 1411 ..... Cross-sector training
HB 1126/SB 5164.....Supplemental Transportation Budget	HB 1429..... Binding arbitration
HB 1146.....Dual credit program notice	HB 1459..... PERS & TRS Plan 1 adjustment
HB 1228..... Dual & tribal language education	HB 1468..... Impact fee deferrals
HB 1239..... Educator ethics & complaints	HB 1478..... Student rights
HB 1244/SB 5692 ..... Enrichment levy authority	HB 1479/SB 5559 ..... Isolation and restraint
HB 1246.....Health benefits/SEBB	HB 1483..... State Property Tax
HB 1248..... Pupil transportation	HB 1496/SB 5556 ..... Naselle Youth Camp
HB 1272..... Voters’ pamphlets	HB 1497..... Vapor and tobacco/minors
HB 1277..... Paraeducator course of study	HB 1549..... AP course options
HB 1294..... Plan 1 retiree COLAs	HB 1565..... Professional education workforce
HB 1305..... Students with disabilities	HB 1566..... Vacation leave

HB 1608.....	Anaphylaxis medication	SB 5139 .....	Vaccination refusal
HB 1615.....	Education savings accounts	SB 5158 .....	Tax transparency
HB 1618.....	Childhood sexual abuse	SB 5174 .....	Pupil transportation
HB 1667/SB 5563 .....	Prevailing wage	SB 5180 .....	Teacher Mobility Compact
HB 1670/SB 5770 .....	Property tax limit	SB 5188/HB 1141.....	Supplemental Operating Budget
HB 1675.....	School safety dashboard	SB 5237 .....	Education law noncompliance
HB 1676.....	Special education early support	SB 5246 .....	Supreme Court fiscal notes
HB 1692.....	Student advisory groups	SB 5248/HB 1710 .....	Tutoring & extended learning
HB 1714.....	Financial literacy grants	SB 5254 .....	Leasing of state lands
HB 1721.....	Skills Center class size	SB 5311/HB 1211.....	Special education funding
HB 1741.....	Staffing ratios	SB 5327 .....	Intern wages
HB 1746/SB 5718 .....	State broadband map	SB 5332 .....	Homeless encampments
HB 1749.....	Filipino Americans	SB 5343 .....	School facility plans
HB 1759.....	Chinese American month	SB 5345 .....	School buildings/energy
HB 1793.....	Digital equity tax	SB 5346 .....	Student art/school construction
HB 1819.....	Music instruction	SB 5372/HB 1423 .....	Trust land transfers
HB 1827.....	Vaccination status	SB 5408 .....	Ninth Grade Success Grant
HJR 4203 .....	Simple majority for bonds	SB 5441 .....	Inclusive curricula coordinators
HJR 4207 .....	School bond elections	SB 5442/HB 1418 .....	Charter schools/enrichment
SB 5008 .....	Access to instructional materials	SB 5449 .....	School buses/other use
SB 5009 .....	Sex education	SB 5462 .....	Inclusive learning standards
SB 5017 .....	Motor vehicles sales tax	SB 5479 .....	Long-term Services Program
SB 5018 .....	Transportation sales tax	SB 5485 .....	Public employees/child care
SB 5019 .....	School safety staff	SB 5505 .....	School year expansion
SB 5020 .....	Compulsory school attendance	SB 5511.....	K–12 education funding
SB 5024 .....	Parents’ Bill of Rights	SB 5514/HB 1582 .....	Right turns
SB 5029 .....	Empowering school boards	SB 5527 .....	Graduation pathway options
SB 5031 .....	Safety net awards	SB 5558 .....	Rights of parents
SB 5038 .....	Employment notice deadlines	SB 5577 .....	Capital broadband program
SB 5054 .....	Professional Learning Communities	SB 5618 .....	Property tax limit
SB 5057 .....	Energy performance standards	SB 5626 .....	K–12 media literacy
SB 5059/HB 1649 .....	Prejudgment interest	SB 5647 .....	School safety/temp employees
SB 5064 .....	Special education enrollment cap	SB 5648 .....	SBE waivers
SB 5068/HB 1472 .....	Motor vehicle sales tax	SB 5653 .....	Minors & parents/rights
SB 5085 .....	Principals employment	SB 5656 .....	School security grants
SB 5102/HB 1609 .....	Library programs	SB 5661 .....	Skills Center class sizes
SB 5126/HB 1444 .....	Common school trust revenue	SB 5668/HB 1605 .....	Small districts/Skills Centers
SB 5127 .....	Student information/PRA	SB 5670 .....	Running Start/10th grade



SB 5671 .....	K–12 experience factors
SB 5678 .....	Firearms safety
SB 5680/HB 1747 .....	Seismic safety/schools
SB 5688 .....	Carbon sequestration
SB 5710 .....	Behavioral health services
SB 5713 .....	Regionalization adjustments
SJM 8007 .....	IDEA funding
SJR 8200 .....	Highway revenue
SJR 8203 .....	Public School Revolving Fund

# Education-Related Bills That Died

## **HB 1003—Dual credit access** (Representative Stokesbary)

Would have expanded access to dual credit programs by: creating a subsidy program for eligible low-income students; reducing College in the High School fees; and making the Running Start Summer Program permanent.

## **HB 1011—Long-term Services Program** (Representative Abbarno)

Would have repealed the Long-term Services and Supports Trust Program—known as the “Washington Cares Fund”—which requires an assessment of a premium of 0.58 percent on the wages of most employees in Washington to pay for long-term care benefits to qualified individuals.

## **HB 1044—Small school capital assistance** (Representative McEntire)

Would have provided capital financial assistance to small school districts with demonstrated funding challenges.

## **HB 1064—School safety capital grants** (Representative Jacobsen)

Would have created a School Safety Capital Grant program to support school safety projects that make physical improvements intended to advance the safety or security of a school facility.

## **HB 1071—School Resource Officers** (Representative Walsh)

Would have provided funding for a School Resource Officer in every school.

## **HB 1092—State Property Tax** (Representative Walsh)

For purposes of State Property Tax levies, would have valued all property at 75 percent of its true and fair value, rather than 100 percent as is currently required.

## **HB 1093—Family Empowerment Scholarship** (Representative Walsh)

Would have established the Family Empowerment Scholarship program to provide funding to empower families to choose an educational environment and program with greater educational equity, enrichment and achievement.

## **HB 1096—Assault on sports officials** (Representative Low) and **SB 5731** (Senator Lovick)

Would have made a person who assaults an amateur sports official while that person is performing his or her official duties at a sports contest guilty of assault in the third degree.

## **HB 1105—Public comment notice** (Representative Kloba)

Would have required public agencies, including school boards, to provide notice for public comment that includes the last date by which such public comment must be submitted. Would have implemented monetary penalties for violating the requirements.

## **HB 1109—Special education funding** (Representative Senn)

Would have established a program to reimburse school districts for conducting initial special education evaluations and for developing Individualized Education Programs for eligible students, during the summers of 2023, 2024, and 2025.

## **HB 1113—Professional educator reprimands** (Representative Harris)

Would have required the Professional Educator Standards Board to adopt rules providing for reviewing and vacating reprimands issued to certificated professional educators related to behavior that did not involve a student.

## **HB 1118—School bus safety cameras** (Representative Mosbrucker)

Would have modified provisions for the use of revenues collected through infractions detected with automated school bus safety cameras, including requiring revenues resulting from newly installed cameras to be used for infraction enforcement costs, school bus safety systems, and school bus replacement incentives.

## **HB 1126—Supplemental Transportation Budget** (Representative Fey, by request of Office of Financial Management) and **SB 5164** (Senator Liias, by request of Office of Financial Management)

Would have made supplemental Transportation Budget appropriations for the 2021–23 fiscal biennium. While this bill failed to be adopted, provisions regarding 2021–23 supplemental Transportation Budget appropriations are embedded in ESHB 1125, the final 2023–25 Transportation Budget.

## **HB 1146—Dual credit program notice** (Representative Paul)

Would have required public high schools to notify students and their parents about available dual credit programs and any financial assistance available to reduce the cost of these programs.

**HB 1228—Dual & tribal language education**

(Representative Ortiz-Self, by request of Superintendent of Public Instruction)

Would have established grant programs for establishing or expanding dual language education programs and tribal language education programs.

**HB 1239—Educator ethics & complaints**

(Representative Santos)

Would have required OSPI to design and establish a simple, uniform, and easily accessible state-level process for the receipt and classification of complaints involving the elementary and secondary education system. Additionally, would have required the Professional Educator Standards Board and the Paraeducator Board to report to the Legislature with recommendations related to a code of educator ethics.

**HB 1244—Enrichment levy authority**

(Representative Ramel)

and **SB 5692** (Senator Lovelett)

Would have increased the maximum per-pupil limit used for enrichment levies for school districts with less than 40,000 students to equal the limit used for school districts with 40,000 or more students.

**HB 1246—Health benefits/SEBB**

(Representative Ortiz-Self)

Would have revised criteria for the School Employees' Benefits Board (SEBB) eligibility, including allowing employees to become eligible by working for more than one SEBB organization and prorating employer contributions across SEBB organizations in such cases.

**HB 1248—Pupil transportation**

(Representative Stonier)

Would have replaced current pupil transportation funding formulas with a new formula based on per-pupil and per-mile rates, and reimbursement of reported special passenger costs and would have provided for "hold harmless" funding for districts if current funding is greater than the new formula funding. Additionally, would have required school district contracts for pupil transportation services to provide employees of the contracting employer with health benefits and pension contributions equivalent to those of school district classified employees.

**HB 1272—Voters' pamphlets**

(Representative Bergquist)

Would have made numerous changes regarding the publishing, formatting, and distribution of the state and local voters' pamphlets. Included in the changes, the bill would have stipulated that citizens appointed to write arguments for and against local ballot measures—including school district levies and bonds—must reside within the jurisdiction's boundaries.

**HB 1277—Paraeducator course of study**

(Representative Donaghy, by request of Professional Educator Standards Board)

Would have directed the Professional Educator Standards Board to update rules to improve the consistency and quality of the implementation of the fundamental courses of study for paraeducators. Additionally, would have specified that school districts are no longer required to provide to paraeducators at least one day of the four-day fundamental course of study in person.

**HB 1294—Plan 1 retiree COLAs**

(Representative Steele)

Would have provided for cost-of-living adjustments for Plan 1 retirees of the Teachers' Retirement System and Public Employees' Retirement System.

**HB 1305—Students with disabilities**

(Representative Pollet)

Would have: made changes to requirements related to initial student evaluations for special education and to development of Individualized Education Programs; and established a grant program to make school psychologists and other providers available to conduct special education evaluations.

**HB 1320—Personnel records**

(Representative Reed)

and **SB 5061** (Senator Kuderer)

Would have required employers to provide an employee's complete, unredacted personnel file within 14 calendar days of the request from the employee, former employee, or their attorney, agent, or fiduciary.

**HB 1328—Family stipends**

(Representative Stokesbary)

Would have provide a new family stipend to parents of struggling students, so that parents have additional resources to arrange directly for tutoring or other academic supports for their children.

**HB 1332—Tribal curriculum**

(Representative Lekanoff)

Would have required all school districts to: incorporate a tribal sovereignty curriculum into their social studies curricula; and incorporate materials about the history, culture, and government of their nearest federally recognized Indian tribe or tribes into their social studies curricula.

**HB 1354—School volunteers/conviction**

(Representative Stonier)

Would have required school districts to allow parents with a criminal conviction to volunteer in their student's school, if the parent has submitted a criminal innocence or rehabilitation-related document to the school.

**HB 1368—Zero-emission school buses**

(Representative Senn)  
and **SB 5431** (Senator Shewmake)

Would have required school buses purchased by school districts to be zero-emission school buses beginning September 1, 2035.

**HB 1373—Illegal encampment removal**

(Representative Stokesbary)

Would have provided funding for the removal of illegal encampments near schools, child care centers, parks, and courthouses.

**HB 1374—Career Connect Office**

(Representative Slatter, by request of Office of the Governor)  
and **SB 5305** (Senator Wellman, by request of Office of the Governor)

Would have established the Office of Career Connect Washington within the Washington Student Achievement Council with the purpose of advancing, promoting, and overseeing the implementation of the Career Connect Washington vision.

**HB 1376—Standards of practice**

(Representative Santos)

Would have aligned statutes in the school code that reference training on “cultural competency” to reflect the updated standards of practice for preparation, continuing education, and other training of school district staff developed by the Professional Educator Standards Board.

**HB 1377—Continuing education**

(Representative Santos)

Would have required continuing education related to equity-based school practices and to the National Professional Standards for Education Leaders to be approved by the Professional Educator Standards Board (PESB). Additionally, OSPI and PESB would have been required to maintain on their websites a list of approved subject matter experts on government-to-government relationships with federally recognized tribes.

**HB 1386—Youth development grants**

(Representative Rule)

Would have required the Department of Commerce to develop and implement a grant program that provides grant funding to youth development programs that focus on holistic outcomes by complementing school-day academics, promotes social and emotional well-being, and supports access to postsecondary career pathways.

**HB 1392—Electronics repair**

(Representative Gregerson)  
and **SB 5464** (Senator Stanford)

Would have promoted the fair servicing and repair of digital electronic equipment, by requiring manufacturers of digital electronic equipment to make available to independent repair providers certain parts, tools, and documentation on fair and reasonable terms for the diagnosis, maintenance, and repair of digital electronic equipment.

**HB 1411—Cross-sector training**

(Representative Ortiz-Self)

Would have supported student success through cross-sector professional development. Among other things, would have required OSPI to distribute funding to school districts and institutional education providers to partner with community-based organizations that support students to offer cross-sector trainings on topics such as social-emotional learning, mental and behavioral health management, and teaching students to be peer mediators.

**HB 1429—Binding arbitration**

(Representative Stokesbary)

Would have clarified that educational employee strikes are prohibited and granted interest arbitration rights to public school employees as the exclusive means of settling labor disputes.

**HB 1459—PERS & TRS Plan 1 adjustment**

(Representative Stokesbary)

Would have provided an ongoing increase to the retirement benefits of retirees in the Public Employees’ Retirement System Plan 1 and the Teachers’ Retirement System Plan 1 of Seattle-area inflation, up to three percent per year and up to a maximum annual increase of \$110 per month.

**HB 1468—Impact fee deferrals**

(Representative Goehner)

Would have amended current law by repealing provisions requiring a lien to be imposed on a property receiving an impact fee deferral and repealing the option to defer collection of an impact fee until the time of closing of the first sale of the property.

**HB 1478—Student rights**

(Representative Timmons)

Would have established a statement of student rights for public school students which provides examples of student rights derived from the federal and state constitutions, and federal and state statutes. Additionally, would have required each public school to develop student-focused educational and promotional materials that incorporate the statement and to include the materials into required civics instruction.



**HB 1479—Isolation and restraint**

(Representative Callan, by request of Superintendent of Public Instruction)  
and **SB 5559** (Senator Wilson, C., by request of Superintendent of Public Instruction)

Would have: prohibited students from being subjected to isolation, mechanical restraint, or chemical restraint by school staff, except for School Resource Officers under some circumstances; specified existing isolation rooms must remain unlocked, and by January 1, 2024, isolation rooms must be removed or repurposed; and required school districts to carry out trainings and other activities to support the elimination of isolation and chemical restraint and to reduce the use of restraint in schools.

**HB 1483—State Property Tax**

(Representative Orcutt)

Would have provided property tax relief by reducing both parts of the State School Levy.

**HB 1496—Naselle Youth Camp**

(Representative Walsh)  
and **SB 5556** (Senator Wilson, J.)

Would have transferred the ownership of the Naselle Youth Camp property to the Chinook Indian Nation in order to realize the highest and best use of an underutilized asset for the local community and the people.

**HB 1497—Vapor and tobacco/minors**

(Representative Harris)

Would have: increased the monetary penalties for the sale of tobacco or vapor products to minors; and eliminated civil liability for the possession of tobacco or vapor products by a minor and removed the ability for a peace officer or for a Liquor and Cannabis Board enforcement officer to detain a minor for suspected possession of products.

**HB 1549—AP course options**

(Representative Stonier)

Would have increased the AP course options that public school students may select from to meet graduation pathway requirements.

**HB 1565—Professional education workforce**

(Representative Ortiz-Self)

This comprehensive bill was intended to support and strengthen the professional education workforce. The bill would have required: the development of an online platform for the recruitment and hiring of public school employees; established a teacher residency program; required a report to be made to the Legislature on the establishment of a teacher exchange program; modified the Beginning Educator Support Team (BEST) Program; established educator workforce program data collection, organization, and analysis requirements; and a report to be made to the Legislature on

the improvement of the quality and effectiveness of educator preparation and workforce programs.

**HB 1566—Vacation leave**

(Representative Bateman)

Would have increased the current cap on accrued vacation leave for state employees from 240 hours to 280 hours.

**HB 1608—Anaphylaxis medication**

(Representative Bronoske)

Would have expanded access to anaphylaxis medications in schools, requiring the Secretary of State to issue a statewide standing order prescribing epinephrine and epinephrine autoinjectors to any school district or school for use by a school nurse or other designated trained school personnel for any student or individual experiencing anaphylaxis on school property, a school bus, a field trip, or designated school activity.

**HB 1615—Education savings accounts**

(Representative Eslick)

Would have created the Student First Education Savings Account to provide awards for eligible students to enroll in a private school or receive home-based instruction.

**HB 1618—Childhood sexual abuse**

(Representative Farivar)

Would have eliminated the statute of limitations for civil actions based on childhood sexual abuse.

**HB 1667—Prevailing wage**

(Representative Schmidt)  
and **SB 5563** (Senator King)

Would have changed how the prevailing wage for public works is determined.

**HB 1670—Property tax limit**

(Representative Ormsby)  
and **SB 5770** (Senator Pederson)

Would have changed the current 101 percent revenue growth limit factor for local property taxes to 100 percent plus population changes and inflation, with a capped limit of 103 percent.

**HB 1675—School safety dashboard**

(Representative McEntire)

Would have established a school safety dashboard to enable the public to review annually updated school safety data statewide and for each public school and school district.

**HB 1676—Special education early support**  
(Representative Senn)

Would have increased the multiplier for the Early Support for Infants and Toddlers (ESIT) program funding formula from 1.15 to 1.38.

**HB 1692—Student advisory groups**  
(Representative Bergquist)

Would have created a nonpartisan Legislative District Student Council, composed of 11 student members, in each legislative district to serve as advisory bodies to examine and make recommendations on issues affecting youth and education.

**HB 1714—Financial literacy grants**  
(Representative Stonier)

Would have allowed school districts to apply for financial literacy education professional development grants.

**HB 1721—Skills Center class size**  
(Representative Paul)

Would have increased minimum allocations to Skills Center programs to reduce class sizes from the current 19.00 FTE to 18.24 FTE.

**HB 1741—Staffing ratios**  
(Representative Rule, by request of Superintendent of Public Instruction)

Would have increased certain staffing ratios in the Prototypical School Funding Model to fully implement the Phase I recommendations of the 2019 Staffing Enrichment Workgroup.

**HB 1746—State broadband map**  
(Representative Ryu)  
and **SB 5718** (Senator Wellman)

Would have required the Statewide Broadband Office to develop and maintain a state broadband map to assist in the promotion of the expansion of access to broadband service in unserved areas of the state.

**HB 1749—Filipino Americans**  
(Representative Chandler)

Would have promoted instruction in public schools about the historical and cultural contributions of Filipino Americans.

**HB 1759—Chinese American month**  
(Representative Santos)

Would have designated January as Chinese American Month and encouraged public schools to designate time for appropriate activities to commemorate Chinese American Month.

**HB 1793—Digital equity tax**  
(Representative Gregerson)

Would have imposed a digital equity tax on certain wireless devices with proceeds dedicated to a new Learning Device and Technology Account to support digital equity grants. Among other things, grants would be used to increase the number of students gaining access to greater levels of digital inclusion.

**HB 1819—Music instruction**  
(Representative Reed)

Would have emphasized the importance of music instruction for elementary students by requiring at least 100 minutes of music instruction per week.

**HB 1827—Vaccination status**  
(Representative Walsh)

Would have made discrimination against a person due to their vaccination or immunity status a civil rights violation.

**HJR 4203—Simple majority for bonds**  
(Representative Stonier)

This constitutional amendment (and its necessary implementing bill, HB 1353) would have permitted the passage of local school district bond issues with a simple majority approval of voters.

**HJR 4207—School bond elections**  
(Representative Harris)

This constitutional amendment (and its necessary implementing bill, HB 1843) would have permitted the passage of local school district bond issues with a 55 percent approval of voters.

**SB 5008—Access to instructional materials**  
(Senator McCune)

Would have provided parents and legal guardians of public school students with access to instructional materials by requiring each school district to post all core instructional materials used within its curricula on its website.

**SB 5009—Sex education**  
(Senator McCune)

Would have required parental or legal guardian approval before a child participates in comprehensive sexual health education.

**SB 5017—Motor vehicles sales tax**  
(Senator Fortunato)

Would have dedicated sales tax revenue on vehicle sales for highway purposes, rather than being deposited in the state's General Fund.

**SB 5018—Transportation sales tax**

(Senator Fortunato)

Would have dedicated sales tax revenue on transportation projects to the Transportation Budget, rather than the state's General Fund.

**SB 5019—School safety staff**

(Senator Wellman)

Would have removed classified staff providing student and staff safety from the definition of Physical, Social, and Emotional support staff, which would have removed these staff from the calculation of demonstrated ratio compliance.

**SB 5020—Compulsory school attendance**

(Senator Wellman)

Would have lowered the minimum age for compulsory school attendance from eight to six years old.

**SB 5024—Parents' Bill of Rights**

(Senator Dozier)

Would have established a Parents' Bill of Rights related to their child's public education requiring parents' access to curricula and instructional materials, and information on who is teaching their child, as well as a requirement to be communicated with regarding their child based on the parent and legal guardian's preferences.

**SB 5029—Empowering school boards**

(Senator Short)

Would have clarified that the primary duty of the Superintendent of Public Instruction is one of support, not supervision, and that school boards are vested with the final responsibility to set policies that serve their students.

**SB 5031—Safety net awards**

(Senator Wellman)

Would have required OSPI to distribute safety net awards on a quarterly basis for high-cost students served by nonpublic agencies located outside of Washington.

**SB 5038—Employment notice deadlines**

(Senator Mullet)

Would have: changed the deadline for notice of nonrenewal of certificated educator contracts from May 15th to June 1st; and changed the deadline for notice to administrators and principals of transfer to a subordinate position from May 15th to June 1st.

**SB 5054—Professional Learning Communities**

(Senator Wellman)

Would have promoted and facilitated the use of Professional Learning Communities (PLCs) by modifying the definition of instructional hours to include hours students are engaging in educational activities under the supervision of noncertificated

staff while teachers participate in PLCs. Additionally, would have encouraged schools to establish a school calendar that provides at least four hours per week for teachers to engage in PLCs during the school day.

**SB 5057—Energy performance standards**

(Senator Mullet)

Would have delayed when certain buildings, including school facilities, are required to comply with the State Energy Performance Standard. Additionally, would have created a work group to provide a report with recommendations on the financial impacts to state-owned buildings required to comply with the State Energy Performance Standard.

**SB 5059—Prejudgment interest**

(Senator Kuderer)

and **HB 1649** (Representative Hackney)

For individuals, entities, and public agencies (including school districts), would have changed current law by starting interest on damages to accrue from the date of tortious conduct, rather than from the date a judgment is entered.

**SB 5064—Special education enrollment cap**

(Senator Wellman)

Would have increased the special education funding enrollment cap from 13.5 percent to 14.5 percent.

**SB 5068—Motor vehicle sales tax**

(Senator MacEwen)

and **HB 1472** (Representative Barkis)

Would have dedicated sales tax revenue on vehicle sales to the Transportation Budget, rather than the state's General Fund.

**SB 5085—Principal employment**

(Senator Wellman)

Would have expanded principal and assistant principal collective bargaining rights to include the bargaining of working conditions.

**SB 5102—Library programs**

(Senator Wellman)

and **HB 1609** (Representative Eslick)

Would have required school district boards of directors to provide resources and materials for the operation of school library information and technology programs, and to ensure that each student has access to a library technology program.

**SB 5126—Common school trust revenue**

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

and **HB 1444** (Representative McEntire, by request of Superintendent of Public Instruction)

Would have required the Common School Construction Fund to finance the prioritized project list of the Small School District Modernization Grant Program before appropriating funds for other capital projects.

**SB 5139—Vaccination refusal**

(Senator Fortunato)

Would have prohibited state agencies or political subdivisions (including school districts) from enacting a rule, ordinance, order, or similar policy that would require an individual to submit to vaccination or immunization for COVID-19 despite religious, philosophical, or persona objections. Additionally, would have prohibited vaccination or immunization for COVID-19 as a condition of employment, access to education, or travel. Further, would have prohibited employers and schools (among others) to require, directly or indirectly, any person to submit to vaccination or immunization for COVID-19.

**SB 5158—Tax transparency**

(Senator Wilson, L.)

Would have required the Department of Revenue to create a public online searchable database of all taxes and tax rates in the state for each taxing district.

**SB 5174—Pupil transportation**

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

Would have: modified the current pupil transportation allocation formula; provided 100 percent reimbursement of reported special passenger costs; and expanded the definition of “to and from school” to include the transportation of students participating in career connected and work-based learning opportunities. Additionally, would have required OSPI to provide an analysis of school district transportation costs and allocations to the Legislature by June 1, 2026.

**SB 5180—Teacher Mobility Compact**

(Senator Hunt)

Would have adopted the Interstate Teacher Mobility Compact. Would have: limited license reciprocity to individuals determined eligible by members of the Compact; directed Compact states to submit a list of eligible licenses a state will grant to licensees from other Compacts states; and required member states to grant an equivalent license to active military members and military spouses who hold an eligible teaching license.

**SB 5188—Supplemental Operating Budget**

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

and **HB 1141** (Representative Ormsby, by request of Office of Financial Management)

Would have made supplemental Operating Budget appropriations for the 2021–23 fiscal biennium. While this bill failed to be adopted, provisions regarding 2021–23 supplemental Operating Budget appropriations are embedded in ESSB 5187, the final 2023–25 Operating Budget.

**SB 5237—Education law noncompliance**

(Senator Wilson, C.)

Would have required OSPI to establish procedures to investigate and address complaints against a superintendent, a school board, or a school director alleging noncompliance with state laws concerning civil rights; harassment, intimidation, and bullying; certain curriculum requirements; the use of restraint or isolation on a student; and student discipline. OSPI would have been required to conduct a prompt and thorough investigation into the allegations in the complaint. Consequences of willful noncompliance with state law, including the possible withholding of state apportionment, would have been established.

**SB 5246—Supreme Court fiscal notes**

(Senator Holy)

Would have required fiscal notes regarding the expected fiscal impact of Supreme Court decisions to be prepared and promptly released publicly.

**SB 5248—Tutoring & extended learning**

(Senator Braun)

and **HB 1710** (Representative Rude)

Would have reappropriated COVID-19 relief funding (one-time) for grants to be used on targeted high-quality tutoring and rigorous extended learning programs.

**SB 5254—Leasing of state lands**

(Senator Van De Wege)

Except for agricultural or grazing leases, would have made any Department of Natural Resources lease involving 250 acres or more of state lands or state forestlands subject to approval by the Board of Natural Resources.

**SB 5311—Special education funding**

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

and **HB 1211** (Representative Bergquist, by request of Office of Financial Management)

This is the governor’s request bill addressing special education funding. It would have: phased-in increased excess cost multipliers for only three- and four-year old students; and increased the current enrollment funding cap from 13.5 percent to 15.0 percent.



**SB 5327—Intern wages**

(Senator Keiser)

Would have required any state or local governmental body or agency, or educational, charitable, or nonprofit organization receiving public funds who provides an internship, to pay the intern at least the state minimum wage for the hours of the internship.

**SB 5332—Homeless encampments**

(Senator King)

Would have prohibited counties, cities, and towns from authorizing, or allowing through inaction, a sanctioned or unsanctioned homeless encampments to be established within 1000 feet of a school or early learning facility.

**SB 5343—School facility plans**

(Senator Schoesler)

Would have required OSPI to establish a repository of exemplary, modifiable basic, or standard plans for new school building construction, and make such plans available for review and use by school districts seeking state funding assistance. Additionally, would have provided for ten additional percentage points of state funding assistance to school districts that used a plan selected from the repository.

**SB 5345—School buildings/energy**

(Senator Schoesler)

Would have exempted public school buildings meeting certain conditions from being required to comply with the state energy performance standard.

**SB 5346—Student art/school construction**

(Senator Schoesler)

Would have permitted and encouraged school districts to use student art to comply with current requirements to purchase art works for new school facilities.

**SB 5372—Trust land transfers**

(Senator Rolfes, request of Department of Natural Resources)

and **HB 1423** (Representative Hackney, request of Department of Natural Resources)

Would have authorized the Department of Natural Resources to create and manage a trust land transfer program to transfer economically under-performing state lands to other purposes, and acquire replacement property to provide long-term, sustainable revenue to trust beneficiaries.

**SB 5408—Ninth Grade Success Grant**

(Senator Liias)

Would have established the Ninth Grade Success Grant Program, which would fund the creation of ninth grade success teams that can identify and support incoming high school students who are at risk of not graduating.

**SB 5441—Inclusive curricula coordinators**

(Senator Wilson, C.)

Would have: required first-class districts to designate an inclusive curricula coordinator to promote, advise and support development and adoption of curricula that is diverse, equitable, and inclusive; and required each ESD to designate a regional coordinator to work with second-class districts.

**SB 5442—Charter schools/enrichment**

(Senator Mullet)

and **HB 1418** (Representative Springer)

Would have provided a per-pupil enrichment grant to charter schools in an amount equivalent to the state Local Effort Assistance threshold (i.e., \$1,550 per pupil).

**SB 5449—School buses/other use**

(Senator Warnick)

Would have required any person who purchases a school bus to be used for any purpose except to transport students to: remove the bus's flashing red lights and stop signal arm; and paint the bus any color except the national standard school bus chrome yellow.

**SB 5462—Inclusive learning standards**

(Senator Liias)

Would have required: OSPI to review and update relevant state learning standards at all grade levels to include the histories, contributions, and perspectives of LGBTQ people; and WSSDA to update a model policy and procedure to require school districts to adopt inclusive curricula and select inclusive, age-appropriate, instructional materials that include the histories, contributions, and perspectives of historically marginalized and underrepresented groups.

**SB 5479—Long-term Services Program**

(Senator Schoesler)

Would have delayed the implementation of the Long-term Services and Supports Trust Program—known as the “Washington Cares Fund”—and submitted a ballot proposition to repeal the Program, including the required payroll deductions.

**SB 5485—Public employees/child care**

(Senator Shewmake)

Would have permitted public employees to seek reimbursement of child care and adult dependent care expenses incurred while traveling on official business.

**SB 5505—School year expansion**

(Senator Hawkins)

Would have addressed student learning loss by expanding the mandatory number of school days from 180 days to 185 days.

**SB 5511—K–12 education funding**

(Senator Braun)

This bill was intended to enhance and improve the equity of K–12 education funding. It would have: reduced local levy authority; increased Local Effort Assistance (LEA) funding; provided LEA funding to charter schools; provided supplemental allocations for each school district, charter school, or state-tribal education compact school that implemented a year-round school calendar; supported grants for targeted high quality tutoring and rigorous extended learning programs; increased the current special education enrollment cap; increased funding for highly capable programs; provided funding for lower class sizes in Career and Technical Education classes and Skills Centers; and enhanced funding of the Learning Assistance Program.

**SB 5514—Right turns**

(Senator Lovick)

and **HB 1582** (Representative Ryu)

Would have prohibited drivers from making right turns on red signals at intersections within 1000 feet of specific facilities, including elementary and secondary schools.

**SB 5527—Graduation pathway options**

(Senator Mullet)

Would have added additional courses to the list of courses that students may use to satisfy a graduation pathway, including AP European History, Seminar, Research, Seminar: English and African American Studies, and AP Precalculus.

**SB 5558—Rights of parents**

(Senator McCune)

Would have codified parents and guardians' fundamental right to direct the upbringing and education of their children to help protect this right from governmental encroachment on parental authority in public schools.

**SB 5577—Capital broadband program**

(Senator Torres)

Would have established the Capital Broadband Investment Acceleration Program within the Governor's Statewide Broadband Office as a competitive grant program to increase broadband access in unserved areas.

**SB 5618—Property tax limit**

(Senator Kuderer)

Would have: changed the revenue growth limit from 101 percent to 103 percent for a taxing authority that has a population less than 10,000; and changed the revenue growth limit from the lesser of 100 percent plus inflation, or 101 percent to the lesser of 100 percent plus population change and inflation, or 103 percent for a taxing authority that has a population of 10,000 or more.

**SB 5626—K–12 media literacy**

(Senator Liias)

Would have required OSPI to establish a program for expanding the capability of school districts to integrate media literacy and digital citizenship into given subject areas through teacher support. Additionally, would have required the program to support a cadre of teachers to become trainers on media literacy within their subject area and to provide professional development to other educators.

**SB 5647—School safety/temp employees**

(Senator Torres)

Would have required substitute teachers and other temporary employees to be provided necessary information about school safety policies and procedures.

**SB 5648—SBE waivers**

(Senator Wellman)

Would have included state-tribal education compact schools and charter schools as entities for which the State Board of Education is permitted to grant waivers from provisions relating to certain instructional requirements and waivers relating to educational restructuring programs.

**SB 5653—Minors & parents/rights**

(Senator Fortunato)

Would have explicitly clarified the state, any of its political subdivisions, any other governmental entity, including school districts, may not infringe on the fundamental right of a minor child to have his or her parent direct the child's upbringing, education, health care, and mental health without demonstrating that such action is reasonable and necessary to achieve a compelling state interest. Additionally, each school board would have been required to develop and adopt a policy to promote parental involvement in the public school system.

**SB 5656—School security grants**

(Senator Torres)

Would have created the School Security and Preparedness Infrastructure Grant Program to provide funds to school districts to increase the physical security of K–12 public school facilities and campuses.

**SB 5661—Skills Center class sizes**

(Senator Boehnke)

Would have reinstated the student-teacher ratio in Skills Centers that existed prior to budget reductions that occurred during the great recession.

**SB 5668—Small districts/Skills Centers**

(Senator Shewmake)

and **HB 1605** (Representative Rule)

Would have required OSPI to develop procedures to fund students for 1.0 FTE at the sending school district if certain criteria are met, including that the district's total headcount is less than 2,750.

**SB 5670—Running Start/10th grade**

(Senator Hawkins)

Would have permitted 10th grade students to participate in online Running Start courses.

**SB 5671—Experience Factor**

(Senator MacEwen)

Would have adjusted the current four percent Experience Factor. In order to be eligible for the Experience Factor, a district's teachers would have been required to have above average years of service OR (rather than AND) above average educational attainment. In districts with staff that have above average years of service, a three percent factor would have been provided; in the districts with staff that have above average education attainment, a one percent factor would have been provided. If a district was above average in both measures, they would have received the current four percent bump.

**SB 5678—Firearms safety**

(Senator Wagoner)

Would have required OSPI to develop two voluntary programs of instruction for firearms safety for students.

**SB 5680—Seismic safety/schools**

(Senator Schoesler)

and **HB 1747** (Representative Chapman)

Would have required OSPI to contract with a third party to develop a seismic risk assessment that includes seismic safety surveys of school facilities that are subject to high seismic risk as a consequence of high earthquake hazard and soils that amplify that hazard.

**SB 5688—Carbon sequestration**

(Senator Lovelett, by request of Department of Natural Resources)

Would have authorized the Department of Natural Resources to enter into contracts for ecosystem service projects, including carbon sequestration, for the purpose of generating revenue by providing ecosystem services that directly or indirectly benefit humans or enhance social welfare. Contracts would have been authorized for up to 125 years and proceeds from the contracts would have been required to be deposited into the appropriate account in the State Treasury and distributed in the same manner as money derived from the sale or lease of valuable materials under current law.

**SB 5710—Behavioral health services**

(Senator Torres)

Would have created an OSPI grant program to provide funding to ESDs on an ongoing basis to offer students attending schools in rural areas access to a mental health professional using telemedicine.

**SB 5713—Regionalization adjustments**

(Senator Wagoner)

Would have increased the regionalization factors of the Concrete School District and the Granite Falls School District.

**SJM 8007—IDEA funding**

(Student Kauffman)

This Joint Memorial would have requested Congress to pass federal legislation to fully fund 40 percent of the costs of IDEA.

**SJR 8200—Highway revenue**

(Senator Fortunato)

This constitutional amendment would have specified any state revenue collected from a road usage charge, vehicle miles traveled fee, or similar type of comparable charges, must be used exclusively for highway purposes.

**SJR 8203—Public School Revolving Fund**

(Senator Schoesler)

This constitutional amendment (and its necessary implementing bill, **SB 5344**) would have established the Public School Revolving Fund in the State Treasury for the purpose of issuing low-interest or interest-free loans to qualifying school districts for capital projects.

# Health Care, Pensions, Financials, and Other Issues

Fred Yancey – The Nexus Group

*“Let your work speak for itself: If poor, it will remain silent. If average, it will whisper. If good, it will talk. If great, it will shout.”* Matshona Dhliwayo

Session has concluded and the Governor has acted. Below is a brief summary of pension, health care and other benefit legislation that will impact school districts, present and future retirees. The work continues.....

## ***Pension/Retirement Related Bills***

### **SHB 1007: Concerning interruptive military service credit for members of the state retirement systems.**

Comment: The definition of “period of war” is expanded for veterans’ benefits in state pension systems, legal assistance, scoring criteria on civil service exams, and other programs, to include any armed conflicts where an expeditionary medal was awarded. Members that retired prior to the effective date of this act will have their retirement benefits adjusted retroactively.

The Governor signed the bill. Effective 7/23/2023.

### **HB 1008: Concerning participating in insurance plans and contracts by separated Plan 2 members of certain retirement systems.**

Comment: It allows certain individuals who separate from a position covered by the Public Employees’, School Employees’, and Teachers’ Retirement System Plans 2, without retiring, the opportunity to participate in retiree benefits of the Public Employees’ Benefits Board.

The Governor signed the bill. Effective 1/1/2024.

### **SHB 1056: Repealing some postretirement employment restrictions.**

Comment: Changes the postretirement employment restrictions on benefits eligibility for Public Employees’ Retirement System, Teachers Retirement System, and School Employees Retirement System Plans 2 and 3 members that retired under the 2008 Early Retirement Factors (ERFs). Permits 2008 ERF members to work in retirement system–covered employment for up to 867 hours per year without suspension of retirement benefits. Adjusts benefits for individuals that chose the three percent per year early retirement reduction to the level of reduction in the 2008 ERFs for future benefit payments.

The Senate adopted a striker with an amendment that reads: “Removes the recalculation of retirement benefits for retirees that were eligible to take a 2008 early retirement factor but took a higher reduction in benefits so that they could return to work.”

The Governor signed the bill. Effective 1/1/2024.

### **ESHB 1222: Requiring coverage for hearing instruments.**

Comment: A health carrier offering a large group health plan and health plans offered to public employees and their covered dependents must include coverage for hearing instruments, except for OTC hearing instruments. The coverage must include the hearing instrument, the initial assessment, fitting, adjustment, auditory training, and ear molds, as necessary, to maintain optimal fit. A health carrier and health plan offered to public employees must provide coverage for hearing instruments at no less than \$3,000 per ear with hearing loss every 36 months. Effective 1/1/2024.

The Governor signed the bill. Effective 7/23/2023.

### **SHB 1804: Concerning eligibility for participation in the Public Employees’ Benefits Board for retired or disabled employees of counties, municipalities, and other political subdivisions.**

Comment: The retirees of local government employers, counties, municipalities, or other political subdivisions that ceased participating in the Public Employees’ Benefits Board (PEBB) health benefits program for active employees are permitted to continue to purchase retiree coverage from the PEBB program. Medicare-eligible retirees from local government employers which have ceased participation must purchase the coverage without the explicit subsidy provided in the state biennial operating budget.

The Governor signed the bill. Effective 5/4/2023.

### **SSB 5275: Expanding access to benefits provided by the School Employees’ Benefits Board.**

Comment: Allows tribal compact schools, employee organizations representing school employees, and school board directors the option of providing health care through the School Employees’ Benefits Board through SEBB beginning January 1, 2024. Employers opting into coverage under SEBB may determine the terms of employee and dependent eligibility and must pay premiums set by HCA.

Passed the House 97/0. The Governor signed the bill on 3/30/23, effective 1/1/2024. The HCA will be reaching out to eligible parties prior to that date with information. HCA has a projected start date for rule development beginning 9/1/2023.

### **ESSB 5294: Concerning actuarial funding of state retirement systems.**

Comment: The existing minimum UAAL (Unfunded Liability) rates end after fiscal year 2023. The following UAAL contribution rates are established for TRS/PERS 1:

**TRS 1:** FY 2024 0.5% | FY 2025 0.5% | FY 2026 0.0% | FY 2027 0.0%

**PERS 1:** FY 2024 2.0% | FY 2025 2.0% | FY 2026 1.5% | FY 2027 0.5%



The Governor signed the bill. Effective 6/20/2023.

**SB 5350: Providing a benefit increase to certain retirees of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1.**

Comment: A one-time, three percent benefit increase is provided to PERS Plan 1 and TRS Plan 1 retirees up to a maximum of \$110 per month. The benefit increase goes into effect on July 1, 2023. To be eligible for the increase the member must be retired on or before July 1, 2022. This increase only applies to members that are not receiving a minimum benefit. The Select Committee on Pension Policy is directed to study and recommend an ongoing COLA for Plan 1 retirees. The recommendation must consider employer contribution rate stability and coordinate the effective date with the reduction or elimination of the unfunded actuarial accrued liability.

One additional positive assist to the budget is adjustments to pension contribution rates. SB 5294, as adopted, reduces contribution rates for the Unfunded Liability in the Public Employees' Retirement System (PERS) Plan 1 and the Teachers' Retirement System (TRS) Plan 1. This is helpful for local governments, including school districts—AND it provides an \$804 million savings for the state in 2023–25 (and projected to grow to \$1.9 billion over the next five years). SB 5294 also reduces (from \$800 million to \$250 million) a scheduled early payment into the Teacher Retirement System Plan 1. This saves another bill. Effective, effective 7/1/2023.

**SSB 5490: Concerning health care coverage for retired or disabled employees denied coverage for failure to timely notify the authority of their intent to defer coverage.**

Comment: A retired or disabled employee who was eligible to defer coverage when they left employment, but failed to do so and later applied for retiree coverage and was denied solely for failure to notify HCA of their plan to defer coverage, and appealed the denial of benefits by December 31, 2022, may enroll in retiree health care. A retired or disabled employee enrolling in benefits may only enroll in a fully insured Medicare advantage or Medicare supplement plan. A retiree taking advantage of this provision must apply by the end of the open enrollment period for the plan year beginning January 1, 2024.

The Governor signed the bill. Effective 3/30/2023.

***Other areas of potential fiscal (\$\$) impact and (often, unfunded) to districts***

**SHB 1068: Concerning injured workers' rights during compelled medical examinations.**

Comment: Allows an injured worker to make an audio and video recording of an independent medical examination, and to have one person of the worker's choosing present during the examination.

This bill was amended, then approved by the Senate. One adopted amendment reads, "Requires (1) the worker to

provide seven calendar days' notice to the entity scheduling the exam that the independent medical exam will be recorded and (2) the department of labor and industries to adopt rules to define the notification process. Another adopted amendment reads, "Removes the prohibition on recording neuropsychological exams. Prohibits the worker from materially altering the recording or posting it to social media."

The Governor signed the bill. Effective 7/23/2023.

**ESHB 1106: Concerning qualifications for unemployment insurance when an individual voluntarily leaves work.**

Comment: Expands access to unemployment insurance benefits by adding circumstances where a person may voluntarily quit for a good cause. The Senate adopted amendments expands access to unemployment insurance (UI) benefits by adding circumstances where a person may voluntarily quit for good cause and requires a report to the Legislature regarding UI claims related to benefits for separations from employment because of inaccessible care for a child or vulnerable adult. Another adopted amendment provides that benefits paid because care for a child or vulnerable adult in the claimant's care is inaccessible shall not be charged to the experience rating account of any contribution paying employer.

The Governor signed the bill. Effective 7/23/2023.

**ESHB 1187: Concerning privileged communication between employees and the unions that represent them.**

Comment: Creates a privilege from examination and disclosure for a union representative and a union employee concerning any communication between the union representative or union employee made during union representation and creates exceptions to this privilege. Applies the privilege from examination and disclosure to the union members and organizations that represent employees of college districts, employees of school districts, public employees, faculty at public four-year institutions of higher education, civil service employees, ferry employees, port employees, and labor unions.

The Governor signed the bill. Effective 7/23/2023.

**SHB 1200: Requiring public employers to provide employee information to exclusive bargaining representatives.**

Comment: The bill requires certain public employers to provide exclusive bargaining representatives employee information, such as contact information, date of hire, salary, and jobsite location, of employees in bargaining units if the employer has that information in its records. It allows an exclusive bargaining representative to bring a court action if a public employer fails to comply with the requirement to provide information.

The Governor signed the bill. Effective 7/23/2023.

**EHB 1210: Concerning the recording of school board meetings.**

Comment: Requires all school district board meetings to be audio recorded, subject to exceptions for executive sessions and emergencies, with recordings kept for one year. Specifies that a public records request for recordings of meetings of a school district board of directors must include the date of the meetings requested or a range of dates. Encourages school districts to make the content of school board of directors' meetings available in formats accessible to individuals who need communication assistance and in languages other than English.

The Governor signed the bill 4/13/2023. Effective 6/30/24.

**SHB 1217: Concerning wage complaints.**

Comment: For all wage complaints filed on or after January 1, 2024, if the Department offers the employer the option to resolve the complaint without a citation and NOA, and the employer accepts the offer, any settlement must include interest of one percent per month on amounts owed. The employee may request a waiver or reduction of interest as part of the settlement process.

The Governor signed the bill. Effective 7/23/2023.

**SHB 1521: Concerning the duties of industrial insurance self-insured employers and third-party administrators.**

Comment: This bill specifies that self-insured employers and third-party administrators have a duty of good faith and fair dealing to workers with respect to all aspects of workers' compensation. Requires the Department of Labor and Industries to enforce the duty of good faith and fair dealing. Provides penalties for violations of this duty. One adopted amendment reads, "Provides that nothing be interpreted as allowing a private cause of action outside of the original jurisdiction of the Department to assess penalties and rights to appeal." Another adopted amendment reads, "Limits the duty of good faith and fair dealing and related penalties to self-insured municipal employers and their third-party administrators."

The Governor signed the bill. Effective 7/1/2024.

**HB 1656: Concerning unemployment insurance benefits appeal procedures.**

Comment: This bill streamlines unemployment insurance (UI) benefits appeals when there is no challenge to eligibility. It eliminates provisions stating that during a UI appeal, all issues related to a claimant's eligibility for waiting period credit or UI benefits are considered, regardless of the reasons in the notice of appeal. It also eliminates the claimant's work availability from being assessed independently of other matters. It will also simplify for the employer the once complicated and time-consuming task of benefit appeals. (Summary provided by Washington Retail Association.)

The Governor signed the bill. Effective 7/23/2023.

**SB 5084: Creating a separate fund for the purposes of self-insured pensions and assessments.**

Comment: Creates a self-insurance reserve fund for payments from self-insured employers related to workers' compensation pensions and from the overpayments reimbursement fund.

The Governor signed the bill. Effective dates vary by Section of bill. Section 14, July 1, 2023. Section 15 expires July 1, 2021. Section 16, July 1, 2021. Section 17, July 1, 2025.

**ESSB 5123: Concerning the employment of individuals who lawfully consume cannabis.**

Comment: This bill was amended by the House. It prohibits employers, with some exceptions, from discriminating against a person in hiring if the discrimination is based on the person's use of cannabis outside of work or on certain employer-required drug screening tests. The House amended the bill to exclude from the bill persons seeking positions: • with a general authority law enforcement agency; Senate Bill Report ESSB 5123 • with a fire department, fire protection district, or regional fire protection service authority; • as a position as a first responder; and • as a position as a corrections officer. It also codifies the underlying bill in chapter 49.94 RCW, rather than chapter 49.44 RCW, subjecting its provisions to enforcement by the Attorney General and other limitations provided under the Fair Chance Act.

The Governor signed the bill. Effective 1/1/2024.

**SSB 5127: Clarifying school districts' ability to redact personal information related to a student.**

Comment: Creates a new exemption to the Public Records Act for personal information in any records pertaining to a student currently or previously enrolled in a local education agency.

The Governor signed the bill. Effective 7/23/2023.

**ESSB 5217: Concerning the state's ability to regulate certain industries and risk classes to prevent musculoskeletal injuries and disorders.**

Comment: This bill repeals the law prohibiting the Department of Labor and Industries (Department) from adopting rules related to ergonomics or musculoskeletal disorders. • Provides limitations on the adoption of new rules, including allowing rules only for industries or risk classifications where compensable claims involved musculoskeletal injuries and disorders that are at a rate greater than two times the overall state claim rate for these types of injuries and disorders over a recent five-year period. • Requires the Department to: (1) identify industries and risk classifications most likely to be selected for rulemaking; (2) review and report certain claims data; and (3) consider certain factors during investigations. • Allows the Department to provide funding to certain employers to purchase additional equipment and requires up to three additional ergonomists to provide consultation to certain employers. Provides that no rule may be effective prior to July 1, 2026. (4) Modifies the review of claims data to data identified as compensable claims

over the five-calendar year period that ended two calendar years before the report is published. Requires L & I to provide up to three additional ergonomists, funded from the accident and medical aid funds, to provide consultation to employers in the industries and risk classifications in the published list. Requires L & I annually to identify a list of industries or risk classes most likely to be selected for future rule making and prioritize efforts to provide technical assistance to those employers.

Amendments included a delay rule implementation for three years, exclusion of those industries within a sector that do not exceed an accident threshold, correction of data collection processes, and addition of technical assistance resources to L & I to make it easier and less punitive to employers.

The Governor signed the bill. Effective 7/23/2023.

**SSB 5286: Modifying the premium provisions of the paid family and medical leave program.**

Comment: Modifies the statutory formula for determining the premium rates for the Paid Family and Medical Leave Program.

The legislation modified the premium calculation formula for the PFML program, ensuring employees and employers share the cost of premiums instead of the burden falling solely on employers.

The Governor signed the bill. Effective 7/23/2023.

**Selected Financials**

Unless noted otherwise, funds are apportioned for ‘allocation purposes’ only.

Substitute Teachers (2023–24 and 2024–25 school years): Four (4) days per formula generated staff at \$151.86/day.

**Fringe Benefits/Formula Generated Staff**

<b>Certificated/Administrative Range:</b>	2023–24: 17.33–17.97%	2024–25: 17.33–17.97%
<b>Classified Staff Range:</b>	2023–24: 18.56%–22.06%	2024–25: 18.06%–21.56%

**SEBB Insurance Benefit Per Formula Generated Staff:** 2023–24: \$1,100 2024–25: \$1,157

**PEBB Insurance Benefit Per Formula Generated Staff:** FY 2024: \$1,145 FY 2025: \$1,195

**Health Care Remittance Paid to HCA**

<b>Per FTE:</b>	\$68.41   September 1, 2023	\$78.50   September 1, 2024
<b>Part-Time Staff:</b>	\$68.41   September 1, 2023	\$78.50   September 1, 2024

**Pension Contributions:** 0.12% increase in PERS, SERS and 0.23% increase in TRS 1 to fund SB 5350 (TRS capped 3% pension increase)

**What will the future hold?**

Predictions are an exercise in fantasy, but what the heck!

1. Clearly, with Governor Inslee opting out of a future run for Governor, many candidates will emerge as wannabes. Attorney General Ferguson and State Lands’ Commissioner Hilary Franz are the leading Democrat candidates, although Sen. Mark Mullet, Issaquah, has indicated interest. Republican candidate names bandied about include Dave Reichert, former Congressman/Sheriff and former Congresswoman Jamie Herrera Butler.

2. The 2024 elections are coming. There will be some very expensive races: Governorship, Attorney General, and others yet to be announced. A reminder that all House members and half the Senate members will be up for re-election. The 2024 Session will see/
- hear many proposals by members and member statements aimed at bolstering one’s electability.

3. The ‘progressive’ wing of the Democrat Party will continue to advocate for socially liberal policies. This has led to the fracturing of unanimity with the caucus as the more moderate Democrats object. The recent scuffle over fixing the Blake situation is a good example of the D’s failing to pass a solution leading to the need for a Special Session. This internal conflict is exploited by the R’s whose positions often are supported by the more moderate D’s. Stay tuned.

4. Some bills that did not pass in 2023 are likely to reappear. These include:
  - **SHB 1248 Re: Pupil Transportation.** Of concern is the bill requires that school district

contracts for pupil transportation services must include sufficient funds to provide employees of the contracting employer with health benefits and pension contributions equivalent to those of school district classified employees.

- **SB 5059 Re: Prejudgment Interest.**

Of concern is that interest in judgments for tortious conduct of public agencies, individuals, and other entities is modified to run from the date on which the cause of action accrues. Interest in judgments for tortious conduct that occurred while a plaintiff was a minor begins to run from the date the action commenced, or the date the minor turns 18 years old, whichever is earlier, at the same rates as currently provided in statute.

- **SB 5174 Re: Student Transportation.**

Of concern is an adopted amendment that provides that, no earlier than for a contract affecting the 2024–25 school year, school districts may only enter into a pupil transportation services contract if that entity provides the following to, or on behalf of, employees who choose to opt in for coverage: A health benefit contribution equal to the employer payment dollar amount in effect for the first year of the contract for health care benefit rates for the SEBB, and; an amount equivalent to the salaries of the employees of the contractor multiplied by the employer normal cost contribution rate determined under the entry age cost method for the school employees' retirement system.



# Washington Association of Maintenance & Operation Administrators (WAMOA)

Mitch Denning, Ph.D., WAMOA Consultant—WAMOA is an affiliate of WASA

Washington Association of Maintenance and Operation Administrators (WAMOA) was fairly positive about the 68th Legislature's response to our 2023 priorities.

This report will review: (1) a statistical view of WAMOA's involvement in the 2023 Legislative Session; (2) ESSB 5187, 2023–25 Operating Budget; (3) ESSB 5200, 2023–25 Capital Budget; (4) bills that WAMOA supported or watched with keen interest which passed and didn't pass; and (5) WAMOA's interim plans.

## A Statistical View of WAMOA's Involvement in the 2023 Session

- 39 individual in-person meetings held with legislators or their assistants regarding WAMOA's 2023 priorities.
- 68 WAMOA members participated in some aspects of legislation on sending emails to legislators, attending meetings, meeting with their own legislators, and emailing and/or meeting with legislative staff.
- 27 bills were testified on regarding WAMOA's 2023 priorities.
- By comparison, during the 2021 session, 25 legislative meetings took place, 44 WAMOA members had direct involvement in legislative matters, and 20 bills were testified on. All involvement was on a remote basis.

## ESSB 5187 2023–25 Operating Budget

### General Elements of Operating Budget (\$69.8 billion)

- Increases by \$5.7 billion from 2021–23, spending \$1.3 billion of available revenue in the Washington Rescue Plan Transition Account, and also reappropriates a significant amount of unspent federal pandemic funds (one-time funds).
- Proposes \$3.6 billion in reserve as of June 30, 2025.

## K–12 Budget

### General Observations

- K–12 Operating Budget goes from \$27.77 billion (2021–23) to \$30.67 billion (2023–25), an increase of \$2.9 billion.
- However, the K–12 Maintenance Level Budget has increased by \$2.6 billion, while Discretionary Policy Level increases by \$346 million and added is \$1.1 billion in one-time federal spending.

- In 2019, K–12 was 52 percent of the Operating Budget, now it's 43 percent.

## K–12 Expenditures (Selected)

### Educator Compensation (\$261.4 million)

- Statutorily required inflation increases are based on the Implicit Price Deflator (IPD) of 3.7 percent for SY 2023–24. In SY 2024–25, the IPD calculated on the calendar year prior to the beginning of the school year, as required in ESSB 5650.
- These inflationary increases are meant to increase the base of minimum basic education salaries, and not to provide COLA increases. For SY 2022–23, the Certificated Instructional Staff, Certificated Administrative Staff, and Classified Staff are: \$72,728 (CIS), \$107,955 (CAS), \$52,173 (CLS). For SY 2023–24, \$75,419 (CIS), \$111,950 (CAS) and \$54,103 (CLS). For SY 2024–25, \$78,360 (CIS), \$116,316 (CAS) and \$56,213 (CLS).

### Regionalization and Experience Factor (\$23.369 million) (WAMOA Priority)

- Funding for regionalization and the experience factor are included in the salary increases. As required, regionalization and experience factors are rebased, beginning in SY 2023–24. Those districts with lower regionalization and experience factors are both lowered over the next two school years, as \$23.4 million is provided in the transition. As a result, many districts would have their regionalization factor adjusted downward, and even more districts (32) are losing eligibility for the four percent experience factor. Unfortunately, the budget does not include any "hold harmless" language for these districts.

### State Board of Health Environmental Health School Rule (WAMOA Priority)

- Current language is maintained with budget proviso until the final cost is prepared and presented to the Legislature, and the implementation costs are funded by the Legislature.

### Special Education (\$371 million) (WAMOA Priority)

- Implements ESHB 1436, funding special education, including the major tenets of E2SSB 5311, funding special education.
- Raises the 13.5 percent cap to 15.0 percent (\$106.854 million).

- Increases the excess cost multiplier for 3–5-year-olds and K–12 special education students. (\$253.635 million).
- Increases special education safety net funding for high-cost students (\$5.5 million), as the safety net threshold is lowered from the current 2.3 times average per pupil expenditures (APPE) to two times APPE for districts less than 1,000 FTE at to 2.2 times APPE for districts with more than 1,000 FTE.
- Requires OSPI to review data for disproportionate identification of students and assist districts to support professional development focused on inclusionary teaching practices (\$5 million).
- Requires the percentage of special education students' general apportionment allocations used for special education to stay at least at the SY 2022–23 level through SY 2026–27, with exceptions.
- Requires the Joint Legislative Audit and Review Committee (JLARC) and the State Auditor's Office (SAO) to conduct a performance audit of the state's special education system.
- Implements ESSB 5315, special education/non-public schools (\$245,000).
- *Note: The Governor vetoed Section (2) (5) in ESHB 1436 which requires JLARC and SAO to conduct a performance audit on the state's special education system. The bill provides that these entities shall be considered authorized reps of relevant state education authorities, including OSPI and Department of Children, Youth and Families, for the purpose of accessing student records for this evaluation. This provision conflicts with policies that favor the protection of student records and individual student privacy, without a corresponding need for that confidential, personal information.*

#### **Special Passenger Reimbursement (\$26 million) (WAMOA Priority)**

- Special passenger excess cost reimbursement is provided for districts with a demonstrated need for funding beyond the amounts provided through the STARS system for special passengers (one-time).

#### **Free School Meals (\$25.949 million) (WAMOA Priority)**

- SHB 1238, free meals, is funded.

#### **Community Eligibility Provision (CEP) (\$59 million) (WAMOA Priority)**

- Fully funds the expansion of Washington's participation in the CEP program allowing all eligible schools to participate in this federal program.

- All students in those schools qualifying for CEP will now eat for free.

#### **Child Nutrition Staffing Analysis (\$60,000)**

- One-time funding for OSPI to conduct an analysis of child nutrition staffing.

#### **Plant-Based School Meals (\$150,000)**

- One-time funding for OSPI to administer grants to districts for a plant-based school meals pilot program.

#### **ESSER Set Aside—Summer Meals (\$143,000)**

- Federal funding is reappropriated to OSPI for grants for supplies, equipment, and staffing to increase access to summer meals.

#### **ESSER III Learning Recovery (\$123.4 million)**

- Federal funding is reappropriated to OSPI to administer grants for learning recovery due to COVID (one-time funding).

#### **Elementary School Recess (\$17,000)**

- Implements ESSB 5257, which requires WSSDA, with OSPI's assistance, to revise a model policy on nutrition, health, and P.E.

#### **Children Experiencing Homelessness (\$8.428 million)**

- Federal funding is reappropriated for the purpose of identifying children and youth experiencing homelessness and for providing them with wrap-around services due to COVID challenges or with assistance to enable them to attend school and participate in school activities.

#### **Residential Outdoor School (\$995,000)**

- Supports pandemic-related learning loss through outdoor learning and overnight camp experiences through AWSP (one-time funding).

#### **Hands-on Science (\$2 million)**

- Provides funding for a gravitational wave observatory located in southeast Washington that is supported through the National Science Foundation to purchase hands-on, interactive exhibits to expand the number of developmentally appropriate activities available for K–12 students attending the observatory.

#### **Small School Support (\$8.1 million)**

- Funding is provided to small districts, charter schools, and tribal compact schools with 800 or fewer FTEs, are located in urban or suburban areas, and budgeted for less than \$20,000 per pupil in general expenditures in SY 2022–23.

- For eligible districts OSPI must allocate an amount equal to the less of \$1,550 or \$20,000 minus the school districts budgeted expenditures in SY 2022–23.

#### West Sound STEM (\$250,000)

- Funding is provided for West Sound STEM network to increase science, transportation, engineering, and math (STEM) activities for students in school and after school and develop industry education pathways in high demand sectors.

#### School Depreciation Subfunds (\$39,000)

- Implements SSB 5403, which requires districts with fewer than 2,000 students to establish a depreciation sub-fund within the general fund for future facility and equipment needs.

#### In the Department of Health section of SSB 5187: Climate Plus Grants for Small Schools (\$5.496 million) (WAMOA Priority)

- Department of Health would distribute grants to small school districts updating their HVAC systems using Small District Modernization Grants.
- Signed by the governor with partial veto on May 16; effective date 7/1/23.
- *Note: In SSB 5187, Supplemental Operating Budget for 2021–23, a portion of the ESSER III funding (\$93.1 million) is vetoed as it's within a closed fiscal year and can no longer have changes in the appropriation. He's asking OSPI to prioritize spending down ESSER II before ESSER III to ensure all federal funding is spent prior to its expiration date.*

### ESSB 5200 2023–25 Capital Budget

**Total K–12 Capital Budget—(\$867.4 million) OSPI + (\$57.3 million) DOC + (\$663,000) DNR = (\$925.4 million)**

#### School Construction Assistance Program (SCAP) (\$588.172 million)

- 35 school construction projects are funded (\$578.11 million).
- Study and survey grants and for inventory and building condition assessments every six years (\$5.031 million).

#### Healthy Kids/Healthy Schools Grant (\$11.5 million) (WAMOA Priority)

- Projects must be consistent with healthiest next generation priorities.
- No single district may receive more than \$200,000 for total grants.

- Districts receiving funding must demonstrate a consistent commitment to addressing school facilities' needs.
- Applicants with a high percentage of free/reduced price students may be prioritized.
- Purchase equipment or make necessary repairs to: (a) playground, physical education equipment, covered play areas equipment, or renovation; (b) child nutrition, including school gardens, greenhouses, and kitchen equipment or upgrades (total \$10 million); and (c) replacement of lead-contaminated pipes, drinking water fixtures, and purchase of water filters, including labor costs of remediation design, installation, and construction (\$1.5 million).
- WAMOA has consulted with OSPI and the Department of Health on this grant in the past.

#### Small District and Tribal Compact Schools Modernization Grants (\$100.031 million) (WAMOA Priority)

- Modernization grants for small districts less than 1,000 FTE with significant building system deficiencies and limited financial capacity as approved by OSPI's small district modernization grant advisory committee (\$81.39 million).
- Planning grants not to exceed \$50,000 per district, with OSPI able to prioritize grants for districts with the most serious building deficiencies and most limited financial capacity (\$1.496 million).
- Modernization and planning grants for state-tribal compact schools with same criteria (\$12.145 million).
- Energy assessment grants for instructional buildings (\$5 million).
- WAMOA is a member of the grant advisory committee which submits a prioritized list of the small district modernization projects to the Legislature and the Governor by 9/15/24.

#### Skills Centers Minor Works (\$5.134 million)

- Cascadia Tech Academy, Vancouver, (\$1.15 million); New Market Skills Center, Tumwater, (\$1.03 million); Puget Sound Skills Center, Burien, (\$169,000); Sno-Isle Tech Skills Center, Everett, (\$1.93 million); Northwest Center & Technical Academy, Mt. Vernon, (\$135,000); Tri-Tech Skills Center, Kennewick, (\$54,000); and Washington Network for Innovative Careers, Kirkland, (\$674,000).

#### K–12 Capital Projects Administration (\$4.839 million)

#### Chief Leschi School HVAC (\$25 million)

### **SHB 1044—Capital Assistance to Small School Districts (\$3.979 million) (WAMOA Priority)**

- Bill died in the Senate Rules Committee on April 23, and was NOT funded in this budget.
- *Note: Governor also vetoed this funding as the bill did not pass.*

### **School District Health and Safety (\$20.2 million) (WAMOA Priority)**

- School District Emergency Repair Grants due to unexpected and imminent health and safety hazards for emergency only, as declared by the district board of directors (\$5 million).
- Urgent Small Repair Grants to address nonrecurring urgent building repair needs (\$11.6 million).
- OSPI consults with WAMOA on develop criteria for the grants, which include: (a) grants up to \$100,000 per three-year period; (b) grants prioritized based on limited financial resources; and (c) districts which demonstrate a consistent commitment to addressing school facilities' needs.
- Equal access grants for facility repairs, including skill centers, to improve compliance with ADA and IDEA requirements (\$3.6 million).

### **School Seismic Safety Retrofit Program (\$40 million) (WAMOA Priority)**

- Includes planning grants and directs OSPI to prioritize the grant recipients per facility need.

### **Career and Preparation Launch Grants (\$4 million)**

- OSPI provides competitive grants to school districts to purchase and install Career and Technical Education (CTE) equipment that expands career connected learning and work-integrated learning opportunities.
- Districts must demonstrate that said equipment will support their CTE program.
- Districts with a high percentage of free/reduced price students will be prioritized.
- No single district may receive more than \$150,000 in grants.

### **Distressed Schools (\$21.74 million)**

- Cascadia Technical Academy (Vancouver SD) (\$250,000).
- Ingraham High School Construction Trades Skills Center (Seattle PS) (\$527,000).
- Maritime 253: South Puget Sound Maritime Schools Center (Tacoma PS) (\$8 million).
- Rainier Beach High School Campus Skills Center (Seattle PS) (\$9.915 million).

- Seattle Skills Center (Seattle PS) (\$2.2 million).
- Stevenson-Carson High School (Stevenson-Carson SD) (\$75,000).
- Washington Middle School (Seattle PS) (\$98,000).

### **West Sound Technical Skills Center (\$41.36 million)**

- Construct a new career and technical education facility in Bremerton.
- Facility will address health, safety building code, and site improvements as well as programmatic changes to create instructional space for CTE programs.

### **Green Schools—Stormwater Infrastructure Projects (\$575,000)**

- Funding is solely for a contract with a state-wide community-based organization with experience planning and developing green stormwater infrastructure and related educational programs on school properties.

### **Agricultural Science in Schools Grant to FFA Foundation (\$5 million)**

### **Department of Commerce—Early Learning Facilities Grants (\$5.406 million)**

- Bethel SD (\$1.08 million); Highline SD (\$809,000); Issaquah SD (\$1.057 million); Orondo SD (\$1.08 million); South Bend SD (\$300,000); and Toppenish SD (\$1.08 million).

### **Department of Commerce—Energy Retrofits and Solar Power for Public Buildings (\$50 million)**

- Grants are available to local governments, public higher education institutions, school districts, tribal governments, and state agencies for improvements to facilities that result in energy and operational cost savings (\$22.5 million).
- Grants are available to said groups for projects that involve the purchase and installation of solar energy systems (\$22.5 million).
- Grants are available for energy efficiency and environmental performance to minor works, stand-alone, and emergency projects facilities owned by agencies that repair or replace existing building systems and reduce greenhouse emissions from state operations (\$5 million).

### **Department of Commerce—Local and Community Projects (\$680,000)**

- Kelso SD construction and renovation (\$165,000).
- Tacoma SD school-based health care facility (\$515,000).



### Department of Commerce—Local Emissions Reduction Projects (\$1.3 million)

- Great Northern SD HVAC installation (\$1.3 million).

### Department of Commerce—2023–25 Clean Energy Fund Program (\$500,000) (WAMOA Priority)

- For the purpose of planning and predevelopment work of clean energy projects that contribute to the state's greenhouse gas emissions limits.
- As part of the planning activities, DOC must convene a work group to analyze the financial investments required by owners of Tier 1 covered buildings to comply with the State Energy Performance Standard and submit the analysis of financial investments by 12/15/23 and recommendations to the Legislature by 7/1/24.
- The work group adds a representative to the work group from a K–12 Maintenance and Operation Association.
- Other members include: one representative from OSPI; one representative from each of the state's public four-year institutions; one representative from the state community and technical colleges; one representative from each of the following: DSHS; DOC (corrections); DES; health care organization; local government; organization representing privately owned Tier 1 covered buildings; a business specializing in performance contracting for energy services; a nonprofit specializing in clean energy; and two representatives form a national association for industrial and office parks.

### Department of Natural Resources—School Seismic Safety—Geologic Class Assessments (\$663,000) (WAMOA Priority)

- Signed by the Governor on May 16, with partial veto; effective date 7/1/23.

### WAMOA Policy Bills which Passed (Supported or Watched)

#### ESHB 1050 Expanding Apprenticeship Unitization Requirements

- Requires public works contracts awarded by a municipality estimated to cost more than \$2 million to include specifications that no less than 15 percent of the labor hours be performed by apprentices.
- Phases in lower contract thresholds of said public works contracts through July 1, 2028.
- Signed by the Governor on May 9; effective date July 23.

#### ESHB 1238 Free Meals for All

- Requires qualifying schools serving grades K–4 to provide breakfast and lunch for free to all requesting students (40 percent free/reduced lunch in 2023–24; 30 percent free/reduced lunch in 2024–25).
- Provides funding stability provisions for the Learning Assistance Program (LAP) and the National Board-Certified Teacher Bonus in SY 2024–25 and 2025–26.
- Signed by the Governor on May 9; effective date July 23.

#### HB 1777 Authorizing the Use of Performance-Based Contracting for Energy Services and Equipment

- Authorizes state agencies and school districts to independently enter into performance-based contracts for energy equipment and services.
- Authorizes state agencies, school districts, public universities, and municipalities or through the Department of Energy Services (DES) to enter into energy as a service contract.
- Signed by the Governor on May 4; effective date July 23.

#### SSB 5257 Elementary School Recess

- Requires public schools to provided daily recess for all elementary students with a minimum of 30 minutes unless the school day is shorter than the regular school day.
- Directs WSSDA to review and update a model policy and procedure with elements regarding recess and requires school districts to update their policies to include the model policy elements by the beginning of SY 2024–25.
- Signed by the Governor on May 4; effective date July 23.

#### 2SSB 5268 Equity and Efficiencies in Public Works Procurement Including Modifying Small Works Roster Requirements

- Modifies small works roster requirements to address equity and efficiencies in public works procurement.
- Requires the Office of Minority and Women's Business Enterprises to adopt rules regarding a public works small business certification plan.
- Requires the Capital Projects Advisory Review Board to review construction cost escalated data and recommend adjustments to existing contract thresholds to the Legislature.
- Signed by the Governor on May 9; effective date July 23.

**SSB 5650—K–12 Salary Increases**

- Beginning in SY 2024–25, the Implicit Price Deflator (IPD) is calculated on the calculated year prior to the beginning of the school year.
- The inflationary factor for SY 2023–24 is 3.7 percent.
- Signed by the Governor on April 6; effective date July 23.

**WAMOA Policy Bills Which Did Not Pass (Supported or Watched)****SHB 1044—Capital Financial Assistance to Small School Districts with Demonstrated Financial Challenges**

- Creates a new capital construction and planning grant program for the modernization and replacement of instructional facilities in financially distressed school districts.
- Requires a district to provide a financial share equal to 50 percent of its remaining debt capacity for capital purposes, capped at an estimated property tax rate of \$1.75 per \$1,000 AV.
- Died in the House Rules Committee.

**HB 1064—School Safety Capital Grant Program**

- Creates a School Safety Capital Grant Program.
- Limits project eligibility to school safety projects that make physical improvements intended to enhance the safety or security of a school facility.
- Died in the House Capital Budget Committee.

**HB 1071—Authorizing Funding for a School Resource Officer in Every School**

- Directs OSPI to allocate additional state funding to districts for one school resource officer on each public-school campus.
- Died in House Education.

**SHB 1109—Providing Funding for School Districts to Conduct Extraordinary Numbers of Special Education Eligibility Determinations to Subsequently Develop IEPs of the Eligible Students**

- Reimburses public schools up to \$3,000 for conducting an initial special education evaluation and up to \$3,000 for developing an IEP both for an eligible student during the summers of 2023, 2024, and 2025.
- Died in the Senate Ways & Means Committee.

**HB 1244—Increasing the Maximum Per Pupil Limit for Enrichment Levy Authority**

- Increases maximum per-pupil limit used for enrichment levies for districts less than 40,000

students over several years to equal the limit used for districts with 40,000 or more students.

- Died in the House Rules Committee.

**HB 1246—School Employees' Eligibility for Health Benefits from the School Employees' Benefits Board (SEBB)**

- Revises criteria for SEBB eligibility, including allowing employees to become eligible by working for more than one SEBB organization and prorating employer contributions across SEBB organizations in such cases.
- Died in the House Appropriations Committee.

**HB 1248—Pupil Transportation**

- Requires OSPI to provide transportation safety net awards to districts with excess special passenger costs for spec education, homeless, and foster students.
- Requires that district contract for pupil transportation services must include sufficient funding to provide employees of the contract employer with health benefits and pension contributions equivalent to those districts classified employees.
- Died in the House Rules Committee.

**HB 1305—Improving Access to and a Free Appropriate Public Education for Students with Disabilities**

- Revises the initial student evaluations for special education and the development of IEPs.
- Died in the House Rules Committee.

**HB 1309—Prevailing Wage**

- Align certain provisions governing public works, prevailing wage, and workers' compensation with the current requirements to pay the prevailing wage.
- Died in the House Rules Committee.

**HB 1353—Simple Majority for School Bonds (WAMOA Priority)**

- Authorizes a simple majority to pass school bonds as long as the validation requirement is met.
- Died in the House Education Committee.

**HB 4203—Simple Majority for School Bonds (WAMOA Priority)**

- Amends the Constitution to allow bonds to be passed at a simple majority.
- Died in the House Education Committee.

**HB 1418—Enrichment Funding for Charter Schools**

- Requires OSPI to distribute a per-pupil enrichment grant to charter schools equal to the state local effort assistance threshold.

- Died in the House Appropriations Committee.

#### **HB 1741—Expanding the Prototypical School Funding Model (WAMOA Priority)**

- Continues the implementation of Phase I of updating the Prototypical School Funding Model by increasing the allocations for school principals and assistant principals, for instructional coaches, counselors, and family engagement counselors; adds professional development days; adds classroom supplies to MSOC; and increases sub teacher per diem.
- Died in the House Appropriations Committee.

#### **SB 5019—Classified Staff Providing Student and Staff Safety**

- Removes restrictions on use of allocation classified staff providing student and staff safety.
- Died in the Senate Rules Committee.

#### **SSB 5054—Promoting and Facilitating the Use of Professional Learning Communities**

- Encourages districts to establish a school calendar that provides up to four hours each week for CIS to engage in professional learning communities during the school day, while classified staff supervise their students.
- Died in the House Education Committee.

#### **SB 5057—Work Group to Evaluate the Costs of the State Energy Performance Standard for Covered Commercial Buildings (WAMOA Priority)**

- Delays by one year the Tier 1 covered buildings energy use intensity target reporting schedule required by the State Energy Performance Standards.
- Creates a work group to make recommendations regarding the cost.
- Died in the Senate Rules Committee.

#### **SSB 5126—Providing Common School Trust Revenue to Small School Districts (WAMOA Priority)**

- Makes the prioritized project list of the Small School District Modernization Grant Program the first priority of the Common School Construction Fund after payment of principal and interest for skill center bonds.
- Beginning in 2025–27, no less than \$60 million in new appropriations in the Capital Budget must be used to fund this list, with \$70 million in 2027–29 and \$80 million in 2029–31 and thereafter.
- Died in the House Capital Budget Committee.

#### **E2SSB 5174—Adequate and Predictable Student Transportation (WAMOA Priority)**

- Requires OSPI to provide an analysis of school district transportation costs and allocations to the Legislature by June 1, 2026.
- Creates a special passenger safety net program.
- Died in the House Rules Committee.

#### **SB 5343—Standard School Construction Plans**

- Directs OSPI to establish a repository of plans for new school buildings and make them available for districts seeking state funding assistance.
- Died in the Senate Early Learning & K–12 Committee.

#### **SB 5344—Public School Revolving Fund**

- Establishes the Public-School Revolving Fund in the State Treasury for issuing low-interest or interest-free loans to qualifying districts for capital projects.
- Died in the Senate Rules Committee.

#### **SB 5345—Exempting Certain Public-School Buildings from the State Energy Performance Standard**

- A public-school building is exempt from the State Energy Performance Standard if it meets one of three criteria.
- Died in the Senate Environment, Energy & Technology Committee.

#### **SB 5668—Small Districts with less than 2,750 FTE Participating in Skill Centers**

- Directs OSPI to provide 0.8 FTE of funding to certain small districts that send students to skill centers.
- Died in the Senate Ways & Means Committee.

#### **SB 5671—Experience Factor Adjustments for Certificated Instructional Staff (CIS) (WAMOA Priority)**

- Creates a staff experience funding factor for CIS calculated in addition to regionalization factors beginning in SY 2023–24.
- Died in the Senate Early Learning & K–12 Committee.

#### **SB 5680—Seismic Safety Surveys of Eligible School Buildings**

- Requires OSPI to contact a third party to develop a seismic risk assessment which include public schools not surveyed in 2019 and 2021.
- Died in the Senate Early Learning & K–12 Committee.

## WAMOA 2023 Interim Plans

- Participate in OSPI School Facilities and Organization Capital Budget grant selection committees, including Healthy Kids/Healthy Schools, Urgent School Repair and Small District, and Tribal Compact Schools. Modernization Grants.
- Coordinate requested school visits during the fall with the following legislators:  
 Senator Ron Muzzall (R-Oak Harbor)  
 Senator Mark Mullet (D-Issaquah)  
 Senator Chris Gildon (R-Puyallup)  
 Senator Ann Rivers (R-La Center)  
 Senator Matt Boehnke (R-Kennewick)  
 Senator Nikki Torres (R-Pasco)  
 Senator Jeff Holy (R-Spokane)  
 Senator Keith Wagoner (R-Sedro Woolley)  
 Senator Mark Schoesler (R-Ritzville)  
 (Nine Senators)

Representative Carolyn Eslick (R-Sultan)  
 Representative Jessica Bateman (D-Olympia)  
 Representative Mari Levitt (D-University Place)  
 Representative Lisa Callan (D-Issaquah)  
 Representative David Hackney (D-Tukwila)  
 Representative Peter Abbarno (R-Centralia)  
 Representative Shelley Kloba (D-Kirkland)  
 Representative Strom Peterson (D-Edmonds)  
 Representative Mary Dye (R-Pomeroy)  
 Representative Joel McEntire (R-Cathlamet)  
 Representative Mike Steele (R-Chelan)  
 Representative Alicia Rule (D-Blaine)  
 Representative Jim Walsh (R-Aberdeen)  
 Representative Leonard Christian (R-Spokane)  
 Representative Kevin Waters (D-Stevenson)  
 Representative Tina Orwall (D-Des Moines)  
 Representative Travis Couture (R-Allyn)  
 Representative Steve Tharinger (D-Dungeness)  
 Representative Greg Cheney (R-Battle Ground)  
 Representative Mary Fosse (D-Everett)  
 Representative Chris Stearns (D-Auburn)  
 Representative Stephanie McClintock (R-Battle Ground)  
 Representative Melanie Morgan (D-Parkland)  
 Representative Clyde Shavers (D-Oak Harbor)  
 Representative Gina Mosbrucker (R-Goldendale)  
 Representative Jacquelin Maycumber (R-Republic)  
 (26 Representatives)

## Department of Commerce (DOC)—2023–25 Clean Energy Fund Program (\$500,000)

- For the purpose of planning and predevelopment work of clean energy projects that contribute to the state's greenhouse gas emissions limits.
- As part of the planning activities, DOC must convene a work group to analyze the financial investments required by owners of Tier 1 covered buildings to comply with the State Energy Performance Standard and submit the analysis of financial investments by 12/15/23 and recommendations to the Legislature by 7/1/24.
- The work group adds a representative to the work group from a K–12 Maintenance and Operation Association.
- Other members include: one representative from OSPI; one representative from each of the state's public four-year institutions; one representative from the state community and technical colleges; one rep from each of the following: DSHS; DOC (corrections); DES; health care organization; local government; organization representing privately owned Tier 1 covered buildings; a business specializing in performance contracting for energy services; a nonprofit specializing in clean energy; and two representatives from a national association for industrial and office parks.

Washington Association of Maintenance and Operations Administrators (WAMOA) [www.wamoa.org](http://www.wamoa.org)

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## 2022–23 LEGISLATION AND FINANCE COMMITTEE

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Region 105 .....	Curt Guaglianone, Mount Adams Robert Bowman, Naches Valley
Region 108 .....	James Everett, Meridian
Region 109 .....	Karin Manns, Granite Falls
Region 110 .....	Alan Spicciati, Auburn
Region 111 .....	Tom Seigel, Bethel
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Region 113 .....	JoLynn Berge, ESD 113
Region 114 .....	Dana Rosenback, North Mason Monica Hunsaker, South Kitsap
Region 123 .....	Traci Pierce, Kennewick
Region 171 .....	Greg Goodnight, Pateros
BPAC .....	Melissa Beard, Steilacoom
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Special Education.....	John Sander, Franklin Pierce
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WASA .....	Joel Aune, Executive Director Dan Steele, Assistant Executive Director Michelle Whitney (President) Sheila Chard, Administrative Assistant
Consultants.....	Mitch Denning (WAMOA) Fred Yancey (Pension/Health Benefits) Melissa Gombosky (AESD)

School administrators recognize and appreciate the Legislature's efforts to address K–12 education concerns in the 2021–23 biennium. While K–12 budgets were largely protected with enrollment and pupil transportation stabilization payments and major investments were finally made to begin needed updates of staffing ratios in the Prototypical School Funding Model, many of our school districts' most critical needs were passed over. During the 2023 Legislative Session, as a new two-year budget is adopted, it is urgent that K–12 education's ongoing concerns are addressed.

School administrators are committed to ensuring each and every student is provided with equitable learning environments where they can learn and achieve their educational goals and aspirations. In pursuit of this commitment, WASA urges the Legislature to positively act upon the following priorities:

## **Advance Equity**

Closing opportunity gaps to promote high levels of achievement for all students is critical. WASA urges the Legislature to provide school districts the resources, tools, and flexibility to: ensure fair treatment, equitable access, and opportunity for each student to achieve successful outcomes; and recruit, support, and retain effective district and building staff who reflect the diversity of our student populations, including ethnicity and gender.

## **Support Basic Education Compensation Rebase**

Current law (adopted in 2017's EHB 2242) requires the Legislature, beginning in 2023, to regularly review and rebase minimum salaries, including regionalization and experience factors, to ensure salary allocations continue to align with staffing costs for the state's program of basic education. As the compensation system is being rebased, WASA urges: the calculation and application of regionalization factors to be adjusted using school districts' labor markets, rather than cost of housing alone; the calculation and application of experience factors to be adjusted making the system more transparent and equitable; the previous calendar year's annual average Seattle-area CPI to be used as an inflationary factor, as adopted by I-732; and the development and implementation of multiple educator pathways and incentives to ensure sufficient and diverse staff are available to districts.

## **Fully Fund Special Education**

In the last four years, the Legislature has: increased the special education excess cost multiplier (2019); provided additional funding for safety net awards (2020); and provided funding for additional transition services, for professional development, and for family liaisons (2021). While these incremental steps to reduce the special education funding gap are positive and appreciated, the 2023 Legislature must take more deliberate action to provide full funding of special education costs and align funding with best practices.

## **Fix Pupil Transportation**

Under STARS, the current Pupil Transportation funding model, many districts experience significant funding gaps; in the last five years, many districts received an allocation below their costs. OFM recently found in most situations, the STARS model is not going to provide adequate resources to school districts and recommends, at the very least, that more funding be provided to the system. We appreciate the 2022 Legislature's provision of additional funding to address excess costs to transport special passengers; however, it is time to comprehensively fix the pupil transportation formula to ensure it is more transparent, predictable, and adequately funded.

## **Update Staffing Allocations**

We applaud the 2022 Legislature for beginning a phase-in of enhanced staff allocations, specifically investing in staff to meet students' needs for social, emotional, safety, and behavioral health. This action implements a portion of the Phase I recommendations of the Staffing Enrichment Workgroup (2019). We urge the 2023 Legislature to continue the implementation of the Phase I recommendations by: improving Prototypical School Funding Model (PSFM) levels for school principals to promote school cultures of learning and growth, support students by regularly meeting social-emotional and mental health needs, and address increased responsibilities in supervisory duties of their staff members; providing additional professional development to close achievement gaps; and adding continuous improvement coaches as an enhancement to the PSFM.

## **Invest in Learning Recovery**

The COVID-19 pandemic forced the long-term use of remote learning, which has been detrimental to many students. The 2021 Legislature recognized this, providing significant investments to support learning recovery and acceleration. Unfortunately, most of those programs are supported with one-time funds. Additional, ongoing resources are needed to expand accelerated learning opportunities for tutoring, additional instructional time, and to offer more student supports to address long-term impacts from the pandemic.

## **Support Capital Facilities**

WASA urges the Legislature to: give Washington's citizens the opportunity to decide whether school district bond issues should be approved with a simple majority vote; and 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.