

2014 LEGISLATIVE REPORT

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2014 Session Overview

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On Monday, January 13, 2014, the Legislature convened its second year of the 63rd Biennial Session. As legislators gathered in Olympia, it certainly appeared that 2014 was geared to be a “do nothing” session. Control of the Legislature remained divided—with Democrats running the House and a Republican-dominated Majority Coalition Caucus directing the Senate—and, even though the economy appeared to be stabilizing, there were limited additional revenues available.

If a “do nothing” prediction is what your money was riding on, the Legislature did not disappoint. For months leading up to January there was talk of adopting no Supplemental Operating Budget. It was not until Week 7 of this 8 week affair that it became apparent both houses were willing to act on a budget. And the ultimately adopted slim budget that focused on maintenance level issues and enacted a series of fairly minor policy enhancements was pretty close to a “do nothing” budget. (For full details, see Operating Budget section later in this report.) The Supplemental Capital Budget was even more disappointing—because the Legislature failed to adopt one. There was plenty of discussion and much activity, but “never mistake motion for action.” The two houses could not agree to a final, compromise budget, but at least both sides adopted their own proposal. (For a review of activities, see Capital Budget section later in this report.) The same cannot be said about the 2013–15 Transportation Budget. After failing to adopt a full Transportation Budget and a revenue package last session, legislators spent months holding community meetings and discussing proposals. This was a major legislative priority and it appeared that the focus on transportation would suck all the oxygen out of the room, but a proposal was not even floated until Week 5 of the session (and the actual legislation arrived even later). Neither house adopted a proposal—in fact, neither Transportation Committee even attempted to move a proposal.

In terms of policy items, there were little substantive changes—although the positive spin on a do nothing Legislature means they did no real harm. “Reform before revenue” continued to be the rallying cry for the Senate Majority Coalition Caucus, but their agenda met with little success. Efforts to limit late starts or

early releases (SB 5982); force academic acceleration policies on all districts (SB 6061); divert transportation sales tax revenue from the General Fund to highway projects (SB 6102); make collective bargaining sessions open to the public (SB 6183); and redefine basic education to include early education and higher education, while limiting current class size reduction requirements to kindergarten and first grade (SB 6563) were all rejected. Most of the bills that would have forced unfunded mandates, limited school district authority or implemented untenable requirements were also unsuccessful.

McCleary v. State of Washington

Just prior to the 2012 Legislative Session, the Supreme Court handed down its historic *McCleary* decision, finding the state was violating its constitutional paramount duty to amply fund K–12 education. The Court retained jurisdiction in the case to enforce its ruling and “help facilitate progress in the state’s plan to fully implement the [ESHB 2261/SHB 2776] reforms by 2018.” As part of its Final Order on Retaining Jurisdiction, the Court required the state to provide an annual report summarizing actions taken to achieve compliance with the constitution 60 days following the adoption of a state budget through 2018.

The 2012 Legislature did not continue to cut education funding, yet they did little to make progress towards full funding of basic education. The Legislature’s first compliance report did not impress the Court. In December 2012, the Court responded to the state’s first report, affirming that “Year 2018 remains a firm deadline” for constitutional compliance. Further, the Court Ordered the state’s 2013 compliance report to:

- Set out the state’s plan in sufficient detail to allow progress to be measured according to periodic benchmarks between now and 2018;
- Indicate a phase-in schedule for achieving its mandate; and
- Demonstrate that its budget meets its plan.

There were bills on the table in the 2013 session to establish detailed spending plans and specific funding schedules, along with revenue plans to provide “regular and dependable” sources of funding for K–12 public schools. Each of those bills failed to be adopted, however.

More positively, the 2013 Legislature took steps to enhance basic education in an effort to comply with *McCleary*. The adopted two-year budget included an education down payment of almost \$1.0 billion (\$982 million, to be exact). Of course, that “billion dollar” investment, when put into context of the overall budget picture was closer to \$500 million if education reductions (including Initiative 732 COLAs) and restorations of previous cuts (including the 1.9 percent teacher salary cut) are included. Regardless, whether the down payment was

actually \$500 million, \$1.0 billion, or somewhere in between, the state has a long, hard road to fully implement ESHB 2261 and SHB 2276 and fully comply with the constitutional paramount duty by 2018.

In its second compliance report, the Legislature boasted about its billion dollar K–12 investment and said, “the Court should find that the state is making progress toward implementing the reforms initiated in ESHB 2261 and achieving full compliance with Article IX, Section 1 by 2018.” Because the Legislature failed to address any type of plan, as directed by the Court, the second report was silent on the issue.

On January 9, just days before the 2014 Legislature was to open, the Court responded to the state’s second compliance report with a new Order. They complimented the Legislature for taking “meaningful steps” toward fulfilling its constitutional mandate;” however, the Court chided the Legislature for providing only “a 6.7 percent increase over the current constitutionally inadequate level of funding.” Justices bluntly noted the Legislature “cannot realistically claim to have made significant progress when its own analysis shows that it is not on target to implement ESHB 2261 and SHB 2776 by the 2017–18 school year.”

Recognizing the Legislature failed to comply with the Court’s December 2012 Order, the new Order directs the state to “submit, by April 30, 2014, a complete plan for fully implementing its program of basic education for each school year between now and the 2017–18 school year.” The plan must also include “a phase-in schedule for fully funding each of the components of basic education.”

The Court further called upon the Legislature to capture the “opportunity to take a significant step forward” in the 2014 session and “demonstrate, through immediate, concrete action, that it is making real and measurable progress, not simply promises.” The Justices stated they “have no wish to be forced into entering specific funding directives . . . or holding the Legislature in contempt of court,” but they warned the Legislature that “failing to act would send a strong message about the state’s good faith commitment toward fulfilling its constitutional promise.”

April 30 *McCleary* Plan

The Court’s January 9 Order cast a shadow over the 2014 session and, while there was much discussion about the new Order and the required plan, as well as the original *McCleary* decision and its implications, there was not much real action. Three of the four political caucuses introduced bills intended to address the required April 30 “plan,” but none of them were adopted.

The House Democrats introduced HB 2792 to place the state’s phased-in funding plan adopted by the Joint Task Force on Education Funding in statute. Basic

education allocations for K–3 class size reduction, all-day kindergarten, the Transitional Bilingual Instructional Program, and staffing allocations for guidance counselors and family engagement coordinators would have been increased in equal annual increments through the 2017–18 school year. Additionally, salary allocations for classified and administrative staff would have been increased in equal biennial increments through the 2017–18 school year, based on the work of the Compensation Technical Working Group. Implementation of the 24-credit diploma and funding adjustments for pupil transportation would have also been included. The bill was adopted by the House Appropriations Committee, but moved no further.

SB 6574, introduced by the Senate Democrats, outlined a series of year-by-year goals for the phasing-in of full funding of basic education. The comprehensive package was divided into three parts:

- Part I of the bill provided a phase-in plan for meeting the *McCleary* funding obligations. It would have established a linear phase-in of SHB 2776; provided end values and a linear phase-in on components required for 24 credits in high school; and phased in a new compensation system, beginning in 2015 and completed by 2021.
- Part II of the bill would have provided an immediate increased investment in the state’s basic educational obligations to show the state’s good faith commitment to continue to make progress towards the 2018 full funding goals as required by the Supreme Court.
- Part III of the bill would have provided initial options (closing a series of tax loopholes) for additional revenue to support the increasing basic educational funding obligations.

Senate Democrat leaders unveiled the plan in a press conference the day after the Senate Majority Coalition Caucus released its 2014 Supplemental Operating Budget proposal. The bill was never heard in Committee or otherwise acted upon.

Four days before the end of the session, the Senate Republicans released their proposal to address the required plan. Because it was too late to introduce new bills, they overlaid their proposal on SB 5881, a dormant “Title Only” bill from 2013. The bill, referred to as the “Kids First Act” would have required two-thirds of new revenue between July 1, 2015 through June 30, 2025 to be expended on education programs. The bill specified that “education” was defined as not only the paramount duty, K–12 education, but also early learning and higher education. The package would have been subject to a public referendum. Whether this is an appropriate funding mechanism is debatable (and there are great concerns with this), but even if this was the “right” revenue plan, there is absolutely no discussion of a basic education phase-in plan, as specifically required by the Supreme Court. Although this package was introduced with great fanfare, and it

was quickly adopted by the Senate Ways & Means Committee, it died without any further action.

Although House Republicans have been very vocal about *McCleary*, they were silent on any implementation plan. They introduced no revenue or expenditure bills to address *McCleary*. Their only action was to disparage the Court. Early in the session, a group of about half of the House Republican Caucus drafted a letter and publicly criticized the Supreme Court for breaching the separation of powers, stating the Court had no authority over the Legislature. They went so far as to say that if the Court eventually held the Legislature in contempt, they would ignore citation.

So, the Court asked for a plan in December 2012 and were ignored. In 2014, the Court bluntly reiterated the demand for a plan—and moved up the date for the Legislature to respond—yet no final action was taken on a consensus plan. What happens next? At the time of this writing, the Article IX Litigation Committee—a Joint Select Committee established in 2012 by the Legislature to communicate with the Court and to draft the annually required compliance plans—is scheduled to meet. While the Committee will surely haggle over details, it is likely they will come up with a compromise report to the Court that can be agreed upon by Committee members. It seems highly doubtful there will be any agreement on a specific plan, however. Assuming legislators do not simply remain silent on a plan, the thought is they might send each of the plans (as described above) to the Court. Either action (silence or a package of plans) would likely be met with disdain by the Justices. The Court's Orders have increasingly had a tone of impatience and another rejection of the Court's directives will certainly not please the Justices.

Regardless of what form the Legislature ultimately chooses to submit its April 30 compliance report—with a specific plan, with no plan or with a set of plans—the Network for Excellence in Washington Schools (NEWS), the plaintiffs in the *McCleary* case, stand ready to respond. And then we will wait for the Court's response. Depending on how they respond, it could set the tone for the 2015 Session.

2015 Outlook

The 2015 Legislative Session is already shaping up to be a real doozy. Legislators are very proud of themselves for adopting a sustainable and balanced budget—both the 2013–15 Operating Budget and the updates made in the 2014 Supplemental Operating Budget. The updated budget outlook for 2015–17, comparing projected revenues and expected expenditures, currently shows an Unrestricted Ending Fund Balance of \$31.9 million (out of a projected \$36.4 billion budget). This makes the razor-thin \$53 million reserves in the original

2013–15 budget look large. What makes this very thin layer of protection even more troublesome is the fact that the budget outlook does not contemplate ANY basic education enhancements for *McCleary*. When you include a projected enhancement in basic education to continue making progress towards full compliance with the paramount duty, the number in the budget reserve box becomes very red, very quickly. Saying the current budget is “sustainable” is just not an honest assessment.

Just staying on track to meet the recommendations of the Joint Task Force on Education Funding, will require the Legislature to provide increases to basic education of around \$2.3 billion. This is a rather conservative estimate that does not include: funding to address significant increases needed to implement an updated compensation system; or significant increases in funding to expand school districts’ facility space to meet all-day kindergarten and class size reduction requirements.

Simply stated, the current state budget structure cannot accommodate the required—and needed—increases in basic education to comply with the Supreme Court’s mandate. In general terms, there are two options. The first is to increase the “size of the pie.” That is, increase the available revenue in the budget. This is easy to say, but increased revenues equates to increased taxes. Legislators are extremely resistant to talking about tax increases (or even a restructuring of the tax system). Voters are not much more willing to discuss the issue. Nobody really wants to be taxed more, but the theory of Washington citizens being “overtaxed” is a fallacy. State revenues as a percentage of personal income in this state has dropped significantly in recent years. In fact, if Washingtonians were taxed at the same rate they were in the 1990s, the current biennium would have about \$15 billion in additional revenue. This would more than cover the *McCleary* obligation and allow the state to address educator compensation and capital costs in a comprehensive way.

There is a second option. In order to fully address constitutional obligations within currently available revenues, legislators could drastically reduce virtually every other area of state government. The negative impact across the state would have ripple effects, causing significant direct or indirect negative impacts on K–12 education. Schools might look like the light on the hill, but it would all be for naught if the community crumbled beneath it.

Unfortunately, there actually is a third option. That is, reducing or eliminating the state’s obligation under *McCleary*. It seems like a silly conversation, given the recent directives from the Supreme Court, yet some legislators are prepared to force a constitutional crisis. The first step would be to changing the definition of basic education, presumably by altering ESHB 2261 and/or SHB 2776. The Court has clearly stated basic education cannot be reduced for fiscal reasons, but can be

changed if there is a valid, educational reason to do so. Beginning to set the stage, the Senate Majority Coalition Caucus has brought several “experts” to Olympia for work sessions in an effort to undermine current requirements. And Senator Steve Litzow (R-Mercer Island), Chair of the Senate Early Learning & K–12 Education Committee has not been shy about his scorn for ESHB 2261/SHB 2776. He has publicly stated more than once his desire, not to simply amend or adjust the bills, but to “gut” the legislation.

Editor’s Note:

My thanks to Bill Keim, Mack Armstrong, John Dekker, Ken Hoover (Legislation & Finance Committee Chair), Mike Nelson (WASA President), Michelle Price (WASA President-elect), Fred Yancey & Scott Nelson of The Nexus Group (Pensions/Health Benefits Consultants), Mitch Denning (AEA), Jim Shoemake (AESD), the ESD Superintendents, and members of WASA’s Legislation & Finance Committee (see page 70) for participating in the weekly conference calls, and to WASA members for participating in our advocacy efforts by reading *TWIO*, contacting legislators, and engaging with your communities in support of Washington’s students and public schools. Together, we can—and did—make a difference!

Additional thanks go to my WASA staff colleagues for their support, in particular Sheila Chard for her faithful service, always positive and helpful attitude and never-ending support.

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Next Steps

Advocacy is a continuous process. This End of Session Summary should be viewed as the starting point for the 2015 Legislative Session. Advocacy is based on relationships and continual contact with your legislators is essential for you to be an effective advocate for public education. And advocacy works! Need proof? The Legislature’s adoption of a major rewrite to the increased instructional hour requirement they adopted last year was unthinkable five months ago. The efforts of school administrators across the state started the ball rolling and pushed it all the way home. (See the Special Focus on E2SSB 6552 later in this report for full details.)

Advocacy does not have to be hard—or intimidating. Contact your legislators now (and often) and continue to build good relationships with them. Give them a tour of your schools. Meet with them for coffee. Invite them to a meeting of your Board. Help legislators to understand the complexities of public education and your needs. Establish trust and credibility so they will come to you for information and advice.

Also, remember this is an election year; all 98 House seats and about half the Senate seats will be up for election this fall. Think about your education priorities and be prepared to voice your opinion and concerns during the election season. You deserve to know if legislative incumbents and challengers alike will support or oppose your priorities.

2014 Supplemental Operating Budget: ESSB 6002

As the 2013 Legislative Session ended—at the end of June, following a grueling 153-day session—the Legislature adopted a two-year Operating Budget that solved a major shortfall and included a supposed \$1.0 billion enhancement in K–12 basic education. When the dust settled, it was clear the “billion dollar” education investment that legislators boasted about was closer to \$500 million when reductions and restorations were taken into account. And, even if the \$1.0 billion figure was accurate, it was still well-short of the “down payment” recommended by the Legislature’s own Joint Task Force on Education Funding. They suggested a \$1.4 billion investment was necessary in 2013–15 to make “real and measurable progress” toward full funding of basic education by 2018, as mandated by the Supreme Court in the *McCleary* decision.

The final 2013–15 Operating Budget included a series of cuts, budget transfers and assumptions, leaving a razor-thin \$53 million in the Ending Fund Balance. Between June and December, revenue collections came in slightly above projections, but at the same time some of the budget’s broad assumptions failed to materialize. The November revenue forecast showed that the state’s bottom line had been bolstered, but not in a significant way.

Firing the first salvo in the budget battle was State Superintendent Randy Dorn. Agency heads submit budget requests to the governor in the fall. The Office of Financial Management provides guidelines and directions for the submittals; however, because Dorn is a separately elected official he has more discretion in what he submits—although this does not mean his request will be any better received.

Since the close of the 2013 session, Dorn has expressed his concerns that the claimed \$1.0 billion increase in basic education fell short of the recommendations from the Joint Task Force on Education Funding. To reach the Task Force’s recommended initial investment toward meeting the Supreme Court’s *McCleary* mandate at least another \$400 million would be necessary in the supplemental session. Dorn’s education budget request totaled \$543

million, which included basic education enhancements of \$461 million beyond what the Legislature appropriated in the underlying 2013–15 budget. Upon releasing his budget package, Dorn stated, “I’ve said for many months that the Legislature didn’t go far enough in 2013. A \$1.4 billion investment would have put the state on the road to meeting *McCleary*. But \$1 billion barely gets us idling in the driveway.”

By law, the governor is required to submit a budget proposal to the Legislature in December of each year and, on December 17, Governor Inslee released his 2014 Supplemental Budget request. Rather than introducing a bold budget, clearly explaining where he wanted to take the state (especially in terms of K–12 education), he chose to submit—in his words—a “hold steady budget.” His modest proposal would post-pone budget decisions until 2015 and simply: fill holes left by the one-time, unsustainable fixes used to balance the underlying 2013–15 budget; provide funding for maintenance level costs and other obligations; and make several small investments in priority areas. Overall, Inslee’s budget proposed approximately \$252 million in increases. About \$150 million of that overall increase was for maintenance level spending. K–12 education would have received an almost token increase of \$7.6 million in policy additions under the governor’s spending plan.

As the 2014 Session approached, there was an increasing conversation about the possibility that NO Supplemental Budget would be adopted in 2014, given the limited available resources and the continuing split control of the Legislature. Even if a budget was adopted, budget-writers in both houses clearly were not eager to adopt significant budgetary changes. In their minds, Superintendent Dorn’s request—just for K–12—was way over the top and even Governor Inslee’s “modest” increase of \$252 million seemed too rich for their tastes.

While preparations continued to be made for the session, the Supreme Court entered the scene and dropped a bomb. Just three days before the 2012 Session, the Court unveiled

its historic decision in the *McCleary* case, declaring unanimously that the Legislature has been (for years) violating its constitutional obligation to provide ample funding for basic education. The announcement completely changed the course of the session and drastically altered the tenor of the conversation. Similarly, on January 9, just three days before the 2014 Session was set to convene, the Court released a new Order in the *McCleary* case. Justices complimented the Legislature for taking “meaningful steps” to address the constitutional paramount duty in 2013, but strongly criticized them for not moving far or fast enough. They flatly stated the Legislature “cannot realistically claim to have made significant progress when its own analysis shows that it is not on target to implement ESHB 2261 and SHB 2776 by the 2017–18 school year.”

The Court was also not pleased that the Legislature had essentially ignored its previous mandate to provide a plan for complying with the Court’s directives. The new January 9 Order directs the Legislature to “submit, by April 30, 2014, a complete plan for fully implementing its program of basic education for each school year between now and the 2017–18 school year.”

Justices closed by saying that the Legislature needed to take “immediate, concrete action” in the 2014 Session to demonstrate it was making “real and measurable progress.” They cautioned, however, that “failing to act would send a strong message about the state’s good faith commitment toward fulfilling its constitutional promise.”

The new *McCleary* Order caused an immediate hue and cry from many legislators, as they argued the Court had overstepped its bounds (and multiple newspaper editorial boards across the state wrote opinions in agreement). Regardless of the emotional response to the Order, it forced a change in the conversation. The first major reaction came a few days later from Governor Inslee. He used his State of the State Address to explain the Court’s Order had forced him to rethink his “hold steady” budget approach. He then announced he would propose a plan to make an additional “investment of \$200 million in our schools this session.” Released a few weeks later, the \$200 million package included: an influx of flexible dollars

to school districts for materials, supplies, and curriculum (\$130 million); and a Cost of Living Adjustment for educators (\$74 million). Understanding the current budget constraints, Inslee also introduced a revenue package: a series of tax exemptions that, if repealed, would provide approximately \$200 million for the remainder of the biennium and about \$414 million per biennium thereafter.

At this point, public budget discussions essentially ceased. When pressed, Senate Majority Coalition Caucus members reiterated that they did the heavy lifting last year, passing a sustainable, balanced two-year budget and providing \$1 billion to K–12 and there was no need for a Supplemental Operating Budget. House Democrats for their part continued to argue that a budget was necessary to, at a minimum, address maintenance level issues. Of course, they also had a series of items on their wish list and needed a budget to implement them.

It is common practice for the house that initiates the budget-writing process to release the first legislative proposal shortly after the state’s revenue forecast is updated. This year it was the Senate’s turn to introduce the first budget, but when the updated revenue forecast was released on February 19, it was still unclear if the Senate would release a budget. When asked about plans to release a budget at the forecast press conference, Senator Andy Hill (R-Redmond), Chair of the Senate Ways & Means Committee responded, “If we have a budget, it will be a typical supplemental,” addressing caseloads, emergencies, and capturing additional savings. His comment was heavy on the “if.”

Rumors started circulating that House budget-writers were nearing completion of their budget proposal. Word was, they were prepared to break protocol and jump the line, releasing their package first, if the Senate balked at introducing a package, or if they stalled too long. Over that weekend, it was announced the Senate would be releasing a budget proposal on Monday, February 24. Upon releasing the proposal, Sen. Hill stated that the previous week’s revenue forecast was positive enough (even though it was essentially flat; only about \$30 million above the November forecast) to convince him to move a budget.

If the governor's \$252 million budget was modest, the Senate's \$95.6 million budget (SB 6002) was meek, at best. Just under half of the increase (\$43.5 million) was for required, maintenance level issues. A series of mostly minor policy enhancements comprised the remainder (\$52.1 million). A significant portion of the policy enhancement, approximately \$38.7 million, was devoted to K–12 education. The bulk of the K–12 enhancement would have been provided to enhance K–12 technology; the \$38.3 million appropriation would have fully funded the technology component of Maintenance, Supplies, and Operating Costs (MSOC), pursuant to SHB 2776 (2010).

The Senate quickly moved the proposal through the process, but before the Senate had a chance to adopt the bill, the House unveiled their own budget (HB 2185). The House budget was a \$173.2 million increase beyond the underlying 2013–15 budget. With a different view on what constituted "maintenance level," over half of the House package (\$91.3 million) covered required spending. The remainder (\$81.9 million) would have funded a series of fairly minor policy enhancements. Like the Senate, the House proposal would have provided much of its small enhancement to K–12. \$64.3 million would have gone to K–12 education, with the majority (\$60.0 million) being allocated for an increase in MSOC.

When the House budget moved to the floor, the full House expanded the package. The biggest item was the addition of \$51.2 million to restore Initiative 732 COLAs for educators in the second half of the biennium (\$47.9 million would have been allocated to K–12). The changes increased the overall budget to \$241.6 million, with the total K–12 investment increasing to \$112.3 million.

With only about a week left in the 2014 Regular Session, budget-writers in both houses quickly began negotiations on a final, compromise budget. Obviously, there were differences in the two proposals; however, the "core" of each budget was similar. In fact, Representative Ross Hunter (D-Medina), Chair of the House Appropriations Committee, noted in the press conference to unveil his budget that the two proposals were "remarkably similar." The biggest difference in the budgets was on the revenue

side, not the expenditure side. The Senate budget actually reduced the level of available spending by extending 24 current tax exemptions. Conversely, the House increased the level of available spending by eliminating four current tax exemptions. Ultimately, both sides gave up their position and the final budget includes no tax loophole eliminations, nor any tax loophole extensions.

Perhaps the biggest difference on the expenditure side was the House's inclusion of the reinstatement of I-732 COLAs. It was assumed by most that this would be among the first pieces eliminated in budget negotiations and, sure enough, the final budget is silent on any COLA.

Negotiators worked through the last weekend of session, hammering out details of the budget. With two days remaining, negotiators held a marathon meeting and essentially came to agreement on "big picture" issues around 5:00 a.m. On Day 59 of the 60-day session, the Senate took formal action to request a Conference Committee on the budget and a few hours later the House formally agreed. They worked throughout the day nailing down the many, many details contained within the almost 300-page document.

It did not appear that a Conference Committee was necessary; however, when a Conference Committee agrees to a "Conference Report," legislators only have an opportunity to accept or reject the report—meaning, there is no opportunity to further amend the document. This ensures rank-and-file members are precluded from causing any last minute hijinks that could torpedo the agreement. By the end of Day 59, an agreement was in place. Budget negotiators briefed their caucus colleagues on the morning of the last day of session and unveiled the completed agreement at an afternoon press conference.

In a rather unusually maneuver, all six members of the budget Conference Committee (two Senate Majority Coalition members, one Senate Minority member, two House Majority members and one House Minority member) participated in the press conference. That was because all six members signed the Conference Report. Unanimous approval from a budget Conference Committee is an

exceedingly rare occurrence. It certainly has not happened in recent years—and it is questionable if it has ever happened before.

The budget Conference Report was moved to the House floor and was adopted with a strong 85–13 vote. Next it moved to the Senate, where it was adopted by an even stronger vote of 48–1. The final 2014 Supplemental Operating Budget increases spending in the underlying 2013–15 budget by \$155 million. This includes maintenance level increases of \$89 million and policy level increases of \$66 million. The bulk of the policy level increases are for K–12 education.

Full details of the K–12 portion of the budget adopted by the 2014 Legislature and signed by the governor follow below.

For additional budget information, please visit the following links:

- 2014 Supplemental Operating Budget: [ESSB 6002](#)
- Legislative Evaluation & Accountability Program (LEAP) Committee: [Budget Overview](#) and [Agency Detail](#)
- [OSPI Pivot Tables](#)
- OSPI Budget Driver Summary: [John Jenft rate sheet](#)
- OSPI Budget Updates: [School Apportionment & Financial Services](#)

BUDGET DETAILS: K–12 ENHANCEMENTS

MSOC Enhancement—\$58.0 million

Allocations for Maintenance, Supplies, and Operating Costs are increased for the 2014–15 school year by \$58.0 million beyond the funding provided in the underlying 2013–15 budget. Per student allocations for each MSOC component are enhanced beyond the original funding provided in the underlying biennial budget for School Year 2014–15: Technology, from \$82.15 to \$89.13; Utilities & Insurance, from \$223.23 to \$242.17; Curriculum & Textbooks, from \$88.21 to \$95.69; Other Supplies & Library Materials, from \$187.27 to \$203.16; Instructional Professional Development for Certificated and Classified Staff, from \$13.64 to \$14.80; Facilities Maintenance, from \$110.59 to \$119.97; and Security & Central Office, from \$76.62 to \$83.12.

The Supplemental Operating Budget provides enhancements for each individual MSOC component; however, the funding continues to be for “allocation purposes only,” so the enhancements continue to provide districts flexibility in using the funds. The total per FTE student funding increases by \$66.32, from \$781.72 to \$848.04.

Note: This funding is in addition to the MSOC enhancement provided due to the reprogramming of instructional hour funding appropriated in last year’s budget in accordance with SB 6552.

Federal Forest Revenues—\$2.0 million

VETOED

Funding was provided to implement HB 2207 in the 2014–15 school year. The funding was to be used to begin the phase out of the current reduction of school district federal timber revenue receipts from school district general apportionment allocations. 215 school districts have some level of their basic education allocation “deducted” currently; however, as provided for in HB 2207, the initial funding would only assist a portion of the full list of impacted districts.

Although HB 2207 was adopted by the Legislature and signed into law by Governor Inslee, he vetoed Section 502(21) before signing the budget. Inslee stated in his veto message that the appropriation in this section is redundant. He wrote:

The calculation for the timber revenue offset includes federal funding allocated to school districts through the federal Secure and Rural Schools and Community Self-Determination Act (SRSA)—and federal authority to make SRSA payments expires at the end of federal Fiscal Year 2014.

Because the original 2013–15 state operating budget assumes no federal SRSA payments after September 30, 2014, underlying general apportionment appropriations are sufficient to fully fund apportionment payments to school districts without any offset for potential SRSA timber revenues to districts. Therefore, if the federal government reauthorizes SRSA beyond September 30, 2014, eligible school districts will receive the benefits of increased combined state and local funding under E2SHB 2207, and state general apportionment appropriations in this budget bill will be more than sufficient to fully fund state general apportionment without the appropriation provided in this subsection.

New Teacher Mentor Program—\$2.0 million

Funding is provided to support new teachers with mentoring programs that link them with experienced peers who share best practices for instruction and classroom management. \$2.0 million is provided to expand the existing Beginning Educator Support Team (BEST) program at OSPI. The program provides grants to school districts to provide an enhanced level of support and professional development for new teachers. Neither house’s original budget proposal included funding for this program; however, it was included in Governor Inslee’s original budget request and was supported by him in budget negotiations.

Transportation Funding Adjustment—\$558,000

Funding is provided for pupil transportation funding formula adjustments in School Year 2014–15. School districts whose allocations for the 2013–14 school year exceed their allocations under the fully funded expected cost pupil transportation funding model, and have an efficiency rating of at least 95 percent, are eligible to receive an adjustment in their respective pupil transportation allocation, in order to account for extenuating circumstances beyond district control, such as geographical anomalies.

24-Credit Graduation Requirement—\$309,000

Funding is provided for the State Board of Education (\$22,000) to adopt rules to implement the Career & College Ready graduation requirement proposal adopted under Board resolution on November 10, 2010 and revised on January 9, 2014. The requirement will take effect beginning with the graduating class of 2019, as required by SB 6552. Funding is also provided for OSPI (\$287,000) to develop math and science equivalency curriculum and model course modules for Career and Technical Education and Skills Center courses to allow students to fulfill math and science credit requirements for graduation as required in SB 6552.

Paraeducator Development—\$309,000

\$128,000 is provided to the Professional Educator Standards Board to implement SB 6129, which requires the Board to convene a Paraeducator Work Group to design program specific minimum employment standards for paraeducators, professional development and education opportunities that support the standards, a paraeducator career ladder, an articulated pathway for teacher preparation and certification, and teacher professional development on how to maximize the use of paraeducators in the classroom. An additional \$181,000 is provided to the State Board for Community & Technical Colleges to participate in the work group convened by PESB.

Under provisions of SB 6129, PESB and the State Board are authorized to exercise the authority to implement the articulated pathway regarding teacher preparation and certification recommended by the work group in approved teacher certification programs and certificate and degree programs offered by community and technical colleges.

Program Compliance—\$267,000

OSPI is provided with funding to monitor districts' compliance with state and federal equity and civil rights laws, as well as conduct ongoing consolidated program reviews of Alternative Learning Experience (ALE) and dropout reengagement programs.

Closing the Opportunity Gap—\$245,000

One-time funding totaling \$245,000 is provided for strategies to close the opportunity gap. Provided within these funds is: \$28,000 for OSPI to create a clearing house of best practices for high quality alternative instruction for expelled students; \$49,000 for OSPI to develop a content outline for cultural competence professional development; \$117,000 for OSPI to convene an English Language Learner Accountability Task Force whose purpose is to design a performance-based accountability system for the Transitional Bilingual Instructional Program; \$14,000 for the Professional Educator Standards Board (PESB) to examine principles of language acquisition; \$10,000 for PESB, in collaboration with OSPI, to convene a work group to revise education-related Career and Technical Education courses to incorporate cultural competence standards; and \$27,000 for the incorporation of cultural competency training in the Teacher/Principal Evaluation Project.

Youth Suicide Prevention—\$148,000

Funding is provided to implement SB 6431, which requires OSPI to work with state agencies and community partners to assist schools in implementing youth suicide prevention activities. OSPI is directed to prioritize funding appropriated for youth suicide prevention activities to communities identified as the highest risk.

Expanded Learning Opportunities—\$83,000

Funding is provided for staff support of a new Expanded Learning Opportunities Council as required by SB 6163.

Homeless Student Education Outcomes—\$44,000

Funding is provided for OSPI to collect and report homeless student data and to distribute a training video to school districts as required in SB 6074.

Attorney General Legal Services—\$24,000

Agency budgets, including OSPI, are adjusted to align with expected billing levels for agency legal services in the 2013–15 biennium. Allocations were reduced in the original biennial budget, but are being increased in the Supplemental Budget partially because the level of funding includes increased funding for salary adjustments to address attorney recruitment and retention issues within the Attorney General’s Office.

Biliteracy Seal—\$21,000

Funding is provided to implement SB 6424, which requires OSPI to adopt rules establishing criteria for a biliteracy seal to recognize graduating high school students who attain a high level of proficiency in speaking, reading, and writing in one or more world languages in addition to English. For the purposes of awarding the seal, world languages include American Sign Language and Native American languages.

Administrative Hearings—\$4,000

Agency budgets, including OSPI, are adjusted to align with expected billing levels for administrative hearing services in the 2013–15 biennium and includes funding for equipment replacement purchases.

ADDITIONAL DETAILS**Instructional Hour Funds (SB 6552)**

The biennial budget provided \$97 million to fund a required increase in instructional hours, to begin in School Year 2014–15. With the adoption of SB 6552, the required

increase in instructional hours is delayed and restructured. The Supplemental Budget “reprograms” the \$97 million appropriation to allow school district flexibility to begin the phase in of the State Board of Education’s 24-credit Career & College Ready diploma.

The following enhancements to the prototypical school funding formula are included in the reallocation:

- enhanced funding for class size reduction for two laboratory science classes within grades 9–12;
- an increase in the prototypical school allocation for high school guidance counselors from 2.009 to 2.539 full-time equivalent staff; and
- an additional minimum allocation for Maintenance, Supplies, and Operating Costs for grades 9–12.

The MSOC enhancement of \$164.25 per grade 9–12 FTE student is in addition to the \$58 million MSOC enhancement provided in the budget. Like that enhancement, this enhancement is also for “allocation purposes only,” even though the funding is driven out by increasing the funding rates of individual MSOC components: Technology, \$36.35; Curriculum and Textbooks, \$39.02; Other Supplies and Library Materials, \$82.84; and Instructional Professional Development for Certificated and Classified Staff, \$6.04.

A portion of the previous funding is also provided to: the State Board to implement the 24-credit graduation requirement (\$22,000); and OSPI to develop math and science course equivalency curriculum (\$287,000), as noted earlier.

The reprogramming of the instructional hour appropriation as described here results in a cost-neutral shift of funding.

Opportunity Scholarships—\$25.4 million

The Washington Student Achievement Council is provided with \$25.4 million to expand the Washington State Opportunity Scholarship Program. The Program is a public/private partnership that provides scholarships to students who have received their high school diploma or GED in

Washington and are pursuing a four-year degree in a high-demand field of study. The funding will expand the number of scholarships available and match additional private contributions received.

Real Hope Act—\$5.0 million

Funding is provided to the Washington Student Achievement Council to expand the State Need Grant program to implement the provisions of SB 6523. The additional funding is intended to assist eligible undocumented students receive a higher education.

Tobacco/Marijuana/E-Cigarette Prevention—\$1.5 million

The Department of Health (DOH) is provided with \$1.5 million for tobacco, marijuana, and e-cigarette prevention activities that serve youth and populations with a high incidence of smoking. For activities that serve youth, DOH must partner with OSPI to fund effective tobacco, marijuana, and e-cigarette prevention programs at middle and high schools. For activities that serve populations with a high incidence of smoking, DOH must contract with community based organizations that serve populations that have a high incidence of smoking tobacco, marijuana, or e-cigarettes.

Additional funding is provided to the Washington State Institute for Public Policy (\$50,000) to conduct a comprehensive study of tobacco and e-cigarette prevention programs that will yield the highest public health benefit and reduce tobacco use. Budget language states the Legislature's intent to fund tobacco and e-cigarette prevention programs in future biennia, based on the Institute's report—which is due to the Legislature by December 31, 2014.

Healthiest Next Generation—\$350,000

The Department of Health (DOH) is provided with \$350,000 to support Washington's Healthiest Next Generation Initiative. DOH must partner with OSPI, the Department of Early Learning, and other public and private partners to increase physical activity and access to healthy foods and

drinking water among children. DOH must submit reports on the Initiative to the Legislature by December 1, 2014, and June 30, 2015.

Student Success Report—\$262,000

The Office of Financial Management is provided funding for staffing and a contract with Washington State University to implement HB 2739. Under the provisions of the bill, WSU will be required to complete a report analyzing the correlation of certain family factors with academic and behavioral indicators of student success.

Charter Schools—\$100,000

The Washington State Charter School Commission is provided with an increase of \$100,000 in the Supplemental Operating Budget. \$8,000 in one-time funding is provided for additional anticipated Attorney General costs related to the lawsuit that was filed against the charter school initiative (I-1240). An additional \$1,000 is provided to align the agency's budget with expected billing levels for Attorney General legal services in the 2013–15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues within the Attorney General's Office. \$91,000 is also provided for additional costs of charter school application evaluations and oversight and monitoring of charter schools.

New budget language also establishes a new Charter Schools Oversight Account within the State Treasury. All moneys received by the Commission must be deposited into the account and may be spent only after appropriation.

Special Education Ombuds—\$50,000

VETOED

The budget, as adopted, would have transferred the Special Education Ombuds from OSPI to the Office of the Education Ombuds (OEO), within the Governor's Office. OSPI was directed to enter into an interagency agreement with the Office of the Education Ombuds, using up to \$50,000 of General Fund-Federal appropriations, to provide for any additional services currently provided through OSPI.

Prior to signing the budget, Governor Inslee vetoed this provision—found in both Section 116(5) and Section 505(12) and (13). In his veto message Inslee explained that this transfer would result in a reduction in funding to OSPI without a corresponding reduction in responsibilities or workload because OSPI is required to provide special education ombuds services to comply with federal law. Additionally, under these provisions, OSPI would have been required to enter into an interagency agreement with OEO to provide for additional special education ombuds services using federal funds. OEO services, however, are not an allowable use of federal funds.

An additional budget proviso requires the Office of the Education Ombuds, within currently appropriated funds, to develop a scope of work and proposed plan for a Task Force on Success for Students with Special Needs. The Task Force must: define and assess barriers that students placed or qualified to be placed in special education and students with a plan for accommodation under Section 504 of the Federal Rehabilitation Act of 1973 face in earning a high school diploma and fully accessing the educational program provided by the public schools; and outline recommendations for systemic changes and successful models for education and service delivery, including improved coordination of early learning through postsecondary education and career preparation. The scope of work and proposed Task Force plan must be submitted to the Legislature by December 1, 2014, along with a request for additional funds necessary to implement the plan. To the extent possible within appropriated funds, the Office of the Education Ombuds may convene the Task Force and commence its work before June 30, 2015.

Interpreter Training Program—\$35,000

Funding is provided to the Office of the Governor for a study to develop a state foreign language education interpreter training program in accordance with HB 1709.

Alternative Assessment

With the state's transition to the Common Core State Standards (CCSS), the alternate assessment for students

with the most significant cognitive challenges (also known as the "1% test") requires migration from its current standards to supporting the testing associated with the CCSS. Funding is provided to complete the test modifications; however, there is not a specific line-item allocation. Proviso language in the budget requires OSPI to create this assessment "within the amounts provided in this section." The OSPI budget is reduced by \$167,000 due to this change.

Biology Collection of Evidence

OSPI is required to develop and administer the Biology Collection of Evidence (COE). The Biology COE is comparable to the current biology End of Course test. The COE is a primary alternative for high school students, and requires intensive ongoing development activities. Proviso language in the budget requires OSPI to complete this work "within the amounts provided in this section." The OSPI budget receives a \$158,000 reduction due to this change.

Learning Assistance Program

The underlying budget provided funding to the Washington State Institute for Public Policy to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the Learning Assistance Program, as directed by ESSB 5946 (2013). The Supplemental Budget includes additional language which specifies those effective practices, activities and programs may include "partnerships with community-based organizations that deliver academic and nonacademic supports to students who are significantly at-risk of not being successful in school, such as one-to-one services to overcome barriers of success at school and school wide afterschool academic support." The Institute's deadline remains the same: an initial inventory is due by August 1, 2014, and must be updated every two years thereafter.

Additionally, funding allocations for ESSB 5946, adopted last session, are adjusted to reflect projected under-expenditures and move expenditures from Fiscal Year 2014 to Fiscal Year 2015. This results in a "loss" of

\$176,000 in the K–12 portion of the budget.

Currently, a school district's funded students for the Learning Assistance Program is calculated as the sum of the district's full-time equivalent enrollment in grades K–12 for the prior school year, multiplied by the district's percentage of October headcount enrollment in grades K–12 eligible for free or reduced price lunch in the prior school year. New proviso language was added in the Supplemental Budget which alters this calculation. Beginning with the allocation for the 2014–15 school year, the prior school year's October headcount enrollment for free and reduced price lunch shall be as reported in the comprehensive education data and research system.

Jobs for America's Graduates (JAG)

Proviso language is added to the budget which, starting in School Year 2014–15, requires students in the foster care program or who are homeless to be given priority by school districts offering the Jobs for America's Graduates program. New language also requires OSPI to convene staff representatives from high schools to meet and share best practices for dropout prevention.

Navigation 101

The underlying budget provided OSPI \$586,000 to "support the dissemination of the Navigation 101 curriculum to all districts." The Supplemental Operating Budget strikes this language and instead requires OSPI to use this funding (no change in appropriation) to "support district implementation of comprehensive guidance and planning programs consistent with RCW 28A.600.045."

Dropout Reengagement Programs

Proviso language is added to the budget which directs OSPI to adopt rules, beginning with the 2014–15 school year, to require "students claimed for general apportionment funding based on enrollment in dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet requirements for at least weekly minimum instructional contact,

academic counseling, career counseling, or case management contact requirements." Districts are also required to "provide separate financial accounting of expenditures for the programs offered by the district or under a contract with a provider, as well as accurate, monthly headcount and full-time equivalent enrollment claimed for basic education, including separate enrollment counts of resident and nonresident students."

Educational Service Districts

The underlying budget provided funding for regional professional development related to mathematics and science curriculum and instructional strategies. New proviso language is added in the Supplemental Budget, requiring the curriculum and instructional strategies to be "aligned with Common Core State Standards and Next Generation Science Standards."

Pupil Transportation

Current law requires OSPI to allocate funding for the transportation of students and funding is providing in the budget to accomplish this. Proviso language is added to the Supplemental Operating Budget which requires OSPI to allocate funding for "approved and operating charter schools as provided in RCW 28A.710.220(3)." This provides transportation funds for charter school students, as required under the charter school initiative (I-1240). Further proviso language declares, "Per-student allocations for pupil transportation must be calculated using the allocation for the previous school year to the school district in which the charter school is located and the number of eligible students in the district, and must be distributed to the charter school based on the number of eligible students."

Health Benefits

The Supplemental Operating Budget includes a funding reduction for state agency employees (including those at OSPI) and employees of higher education institutions, but there is NO reduction in the state allocation to school districts for K–12 employees. Allocations for employee

insurance remains at \$768 per month for the 2014–15 school year, as adopted in the original biennial budget.

Beginning September 2014, the retiree remittance payment that school districts must send to the Health Care Authority to cover the cost of subsidies for retired school employees has been reduced from \$70.39 to \$66.64. This will reduce (slightly) school district health benefit costs.

2014 Supplemental Capital Budget

Even with a divided Legislature (or when the two houses fight for other reasons), there is usually strong, bipartisan support for a Capital Budget. Not so this year. Like so many things this session, adoption of a 2014 Supplemental Capital Budget did not go exactly as planned.

The apparent hang-up was not the level of funding or the source of funding or disagreement over a whole package of proposed projects. Negotiations over a final, compromise 2014 Supplemental Capital Budget failed because of a major dispute over ONE project: the new State Patrol headquarters in Olympia. One house wanted to move forward with the project, while the other house opposed.

Granted, with the limited available room under the state's current debt limit, there was no expectation that a Supplemental Capital Budget would provide an abundance of new projects; however, there are always projects in need of funding. For K–12, the focus was not on funding of the School Construction Assistance Program (SCAP), which is the major pot of money for school facility funding from the state. In fact, both the Senate and House budgets proposed a large reduction (between \$78-87 million) in SCAP. This was not a major policy decision, however. It was simply an adjustment to align funding with the latest projection of required funding to “fully fund” the program. The “savings” in each budget was due primarily to fewer projects being eligible for assistance than originally estimated in the underlying budget. Funding for K–12 projects outside of SCAP was sought in the Supplemental Capital Budget. Included was funding for Skills Centers, STEM labs, emergency repair grants, and a new Nutrition Equipment Assistance Grant program (as described in HB 2410).

The Capital Budget activity for K–12 really occurred beyond the discussions of the “regular” Supplemental Capital Budget. The Senate introduced a package of bills as its Supplemental Capital Budget. Their package included: the actual 2014 Supplemental Capital Budget (SB 6020); a study of financing options for water supply, flood control, and storm water projects (SB 6516); and two new grant programs for K–12 facilities (SB 6081).

SB 6081 would have taken SCAP savings and reinvested that money in new grant programs for Science, Technology, Engineering, and Math (STEM) labs and all-day kindergarten. The Capital Budget proposal would have provided: \$25 million in bonds to fund a grant program to upgrade and modernize STEM facilities; and \$25 million as initial funding to support a new grant program for needed space for state-funded all-day kindergarten.

The House's 2014 Supplemental Capital Budget proposal (HB 2224) was also a limited plan, but like the Senate, the actual Capital Budget was just a part of a larger budget package. Introduced along with the budget was HB 2797, which would have provided \$700 million specifically to fund facilities to meet all-day kindergarten and early elementary class-size reduction requirements. Unlike the Senate's budget package, HB 2797 was not dependent on funding in the Capital Budget and could be (and was) moved separately. The proposal was in direct response to the Supreme Court's January 9, 2014 *McCleary* Order which called the state out for its lack of commitment to school facilities.

HB 2797 would have been funded by lottery-backed bonds and the bond debt would have been paid with lottery revenues. Because it would be outside the state's debt limit, the bill would have only required a simple majority vote of the Legislature. If the plan was adopted, the \$700 million would have been used to fund projects across the state. Funds could have been used for building additions or renovations, modular construction or portables and, unlike grants from the School Construction Assistance Program, no match would have been required from school districts to access this funding. The bill passed out of the House Capital Budget Committee with unanimous support and was later adopted by the full House with an overwhelming vote of 90–7.

The Senate's SB 6081 had earlier passed the Senate with a vote of 47–1, but never gained any traction in the House. The overwhelming, bipartisan support for HB 2797 put

some pressure on the Senate Majority Coalition Caucus; however, they quickly regrouped and rolled out their own K–12 facilities package. They unveiled the new plan on the same day they held a perfunctory hearing on HB 2797 in the Senate Ways & Means Committee.

The Senate’s new plan was a Proposed Substitute version of SB 6483, a long-dormant bill dealing with all-day kindergarten. SB 6483, which was heard in the Committee a month before, would have created a competitive grant program to fund classroom space necessary to support the phase-in of all-day kindergarten. When the bill was heard, we expressed our appreciation for the beginning of an important conversation about a pressing issue. We reminded the Committee that the Supreme Court’s January 9 Order clearly stated that “enhanced funding for full-day kindergarten... is essential, but the state must account for the actual cost to schools of providing these components of basic education.” The concern, however, is that establishing a competitive grant program inevitably means that many of the needy districts in the state would be left behind.

As reworked, SB 6483 became an \$825 million package which would have funded competitive grants for facilities for all-day kindergarten, class size reduction, and STEM labs. \$50 million would have been appropriated for all-day kindergarten and \$50 million would have been appropriated for STEM labs. This was a dose of *déjà vu*, as the plan mirrored SB 6081, although the funding contemplated was doubled.

The inclusion of class size reduction was a bit of a “throw away,” however. The Senate Majority Coalition has not been shy about discounting the need for class size reduction and rather than provide sufficient funding to expand school facility space, the bill simply would have provided \$500,000 for OSPI to complete an inventory to determine facility need for class size. Essentially, they provided token support for a “study,” rather than provide adequate support to address the issue.

Perhaps the greatest concern with the new SB 6483 was the overall funding. It was advertised as an \$825 million

package, yet the bill simply stated the Legislature’s “intent” to provide \$825 million (total) over three biennia.

The revised SB 6483 was quickly moved out of the Senate Ways & Means Committee, but it does not appear there was ever any serious consideration of moving it to the Senate floor. It died without further action.

In the end, no Supplemental Capital Budget was adopted (the first time in recent memory) and the K–12 facilities bills also died. Unfortunately, the small handful of proposed education projects will go unfunded this year. And there is still no solution to address the implementation of all-day kindergarten and class size reduction policies.

Positively, K–12 continues to be a stated priority of each of the four caucuses. Even though no plan was ultimately adopted, it was also positive that school facility needs were actively discussed.

Special Focus: Instructional Hours and Graduation Requirements (E2SSB 6552)

The Background

2013–15 Operating Budget included language which mandated school districts to increase instructional hours, beginning in the 2014–15 school year. School districts were required to increase instructional hours in grades 1–6 from an average of 1,000 hours to 1,000 actual hours in each grade level and increase instructional hours in grades 7–12 from 1,000 average hours to 1,080 actual hours in each grade level. The budget also appropriated \$97 million to facilitate the increase in instructional hours. When the 2014 Legislative Session began, it seemed any effort to seek relief from the approaching requirement to increase instructional hours would be fruitless.

Early in the session, four bills were introduced to delay the 1,080 instructional hour requirement. Each addressed similar issues, but took different approaches. SB 6320/ HB 2548 were requested by Superintendent Dorn. The bills would have: delayed the implementation of the increased instructional hour requirement until the 2015–16 school year; and allowed the last five days of school for seniors to be counted as instructional hours. SB 6082 would have: allowed teacher collaboration time to count as instructional hours; and delayed the implementation of the 1,080 instruction hour requirement until the 2017–18 school year. SB 6189 would have delayed the implementation of the 1,080 instructional hour requirement until the 2016–17 school year. All four of these bills were heard in their respective Education Committees; however, they never gained much traction.

As educators and legislators focused on these bills, a bipartisan group of key legislators, from both the House and Senate, were meeting behind-the-scenes to craft a more detailed, broad option to address the issue. The ultimate bill, SB 6552, was introduced by this group on February 5—just two days before the original house policy committee cut-off. The proposed solution to the 1,080 conundrum mirrored a plan first advocated by

superintendents in the Puget Sound area: use the increased instructional hours appropriation (\$97 million) provided in the 2013–15 Operating Budget to allow districts to phase-in the State Board of Education’s new 24-credit diploma framework and set aside the 1,080 requirement.

As potentially controversial as the bill could have been, it had relatively smooth sailing in the Senate, moving quickly through the Senate Early Learning and K–12 Education Committee and the Senate Ways & Means Committee. When the bill reached the Senate floor, there was little debate and the bill was adopted with a vote of 45–4.

The path in the House was a bit more difficult and there were several times the bill appeared to be in trouble and its ultimate passage was in doubt; however, superintendents kept the pressure up throughout and legislators noticed. There was a bit of a scare when the bill reached the House floor—along with 26 amendments waiting “on the bar.” Key legislators and leadership in both houses, however, renegotiated the bill and helped to shepherd the bill to the finish line. Many of the 26 amendments were rolled into one agreed upon “omnibus” amendment and the bill was adopted with a vote of 93–5. The amended bill was quickly sent back to the Senate for concurrence, where they re-adopted the new bill with the same 45 “Yes” votes.

The Details

E2SSB 6552, as adopted by the Legislature and signed by the governor, includes several policy decisions, including the restructuring of the 1,080 instructional hour increase.

Intent

The intent section of E2SSB 6552 should be a stark reminder that advocacy can be effective. The reason this bill was even on the table was because school administrators communicated with local legislators and requested assistance. The intent section includes language that is almost verbatim from the messages school administrators were sending legislators.

The intent section notes that school districts informed the Legislature that the funding and instructional hour requirement adopted last session would not have any measurable, positive impact on student achievement. It states, “The Legislature recognizes the need to provide flexibility for school districts to implement the increase in instructional hours while still moving towards an increase in the high school graduation requirements. Therefore, the Legislature intends to shift the focus and intent of the investments from compliance with the minimum instructional hours offering to assisting school districts to provide an opportunity for students to earn twenty-four credits for high school graduation and obtain a meaningful diploma.”

CTE Equivalencies

Requested by Governor Inslee in HB 2540/SB 6044, E2SSB 6552 requires school districts to grant academic credit in science or mathematics to students that pass CTE courses identified by OSPI as being equivalent to science or mathematics courses that meet high school graduation requirements. Earlier language clarified that a school district must only grant equivalencies if the course is offered. In its place is a requirement that, beginning in 2015–16, school districts must provide high school students with the opportunity to access at least one CTE course from the state list that is equivalent to mathematics or to science. Multiple options are listed as to how students may access the courses, including interdistrict cooperatives, Skills Centers, through online learning or applicable Running Start vocational courses. School districts with fewer than 2,000 students are allowed to seek a waiver of this requirement from the State Board of Education.

OSPI, in consultation with one or more technical working groups, is required to develop curriculum frameworks for a selected list of CTE courses whose content in science, technology, engineering, and mathematics is considered equivalent, in full or in part, to science or mathematics courses that meet high school graduation requirements. The course content must be aligned with the state Essential Academic Learning Requirements and industry standards. OSPI must submit the course list and curriculum

frameworks to the State Board of Education for review, public comment, and approval before the 2015–16 school year. The list may be periodically updated thereafter

Instructional Hours

The bill strikes the language adopted last session requiring 1,000 (actual) instructional hours per grade for grades 1–6 and 1,080 (actual) instructional hours per grade for grades 7–12. Instead, grades 1–8 must have a district-wide annual average of 1,000 hours; and grades 9–12 must have a district-wide annual average of 1,080 hours. In other words, an average of approximately 1,027 hours will be required for each grade in a district with grades 1–12.

This restructuring does NOT change instructional hour requirements in kindergarten and kindergarten hours are NOT a part of the calculation of the “district-wide annual average.” Kindergartens must maintain a complete 450 instructional hours in half-day programs and a complete 1,000 instructional hours in full day programs.

In addition to restructuring the instructional hour requirement, the bill also delays the implementation of the required increase in instructional hours until the 2015–16 school year (rather than the 2014–15 school year).

The bill also addresses the senior graduation week issue by allowing the hours scheduled for non-instructional purposes during the last five days of school for graduating seniors to be counted toward the minimum instructional hour requirement.

High School Graduation Requirements

The State Board of Education is authorized to adopt rules implementing the 24-credit diploma, based on its Career & College Ready framework, adopted under Board resolution on November 10, 2010 and revised on January 9, 2014. The new graduation requirement is to take effect beginning with the Class of 2019. School districts are allowed, however, to apply to SBE for a waiver of one or two years (Class of 2020 or 2021). In the application, a school district must describe why the waiver is being requested; the specific impediments preventing timely implementation; and efforts that will be taken to achieve implementation with the graduating

class proposed under the waiver. Although this specific information is required in the application, the State Board is required to grant the request.

SBE rules are required to provide that the content of the 3rd credit of math and the 3rd credit of science are to be chosen by the student based on the student's High School and Beyond Plan, with agreement of a parent/guardian or the school counselor or principal.

Early language in the bill clarified that school districts would be authorized to waive up to 2 credits on an individual student basis, based on unusual circumstances. As adopted, this provision is tightened up. SBE rules are required to provide this authorization to school districts; however, the waiver must be in accordance with a written policy that must be adopted by each school board.

The Washington State School Directors' Association is directed to adopt a model policy and procedure regarding the credit waivers by June 30, 2015. The policy and the waiver is to assist school districts in providing students the opportunity to complete graduation requirements without discrimination and without disparate impact. The model policy must take into consideration circumstances such as homelessness, medical conditions, disabilities, and limited English proficiency. The policy must also address waivers if the student has not been provided an opportunity to retake classes or enroll in remedial classes free of charge.

The bill also prohibits the State Board, effective with the Class of 2015, from requiring students to complete a culminating project for graduation. Local school districts, at their option, can continue to require a culminating project, but it will no longer be a state graduation requirement.

As adopted, the bill also directed the Office of the Education Ombuds to establish a Task Force on Success for Students with Special Needs to: define barriers these students face in earning a high school diploma and fully accessing public education; outline recommendations for systemic changes, models for education and service delivery, coordination; and identify options for competency-based education. An initial report would have been required to be provided by December 15, 2014, and annually until 2016.

Before signing the bill, Governor Inslee vetoed this provision. In his veto message, Inslee stated this requirement was an "unnecessary duplication," noting the 2014 Supplemental Operating Budget includes a similar directive.

Funding

A crucial piece of E2SSB 6552 is the "reprogramming" of the \$97 million instructional hour appropriation provided in the 2013–15 Operating Budget. Language provides that the previous appropriation will be "repurposed" to allow implementation of the 24-credit diploma requirement. The funding is specifically provided for:

- **MSOC Enhancements** Allocations for Maintenance, Supplies, and Operating Costs (MSOC) are increased by \$164.25 per student in grades 9–12.
- **Lab Science Enhancements** Funding is provided to enhance lab science class sizes. The formula will drive funding similar to the high poverty K–3 class size reduction, providing bonus teaching units beyond the 28.74 class size in grades 9–12. Eligible enrollment is 2/24th (or 1/12th) of all students in grades 9–12, which equates to the two lab science classes out of the total 24 credits needed for graduation. Eligible students will be provided teaching units for a class size of 19.98. The teaching units calculated in the general education class size are subtracted from the lab science teachers; the difference is the lab science class size enhancement.
- **Guidance Counselors** Funding is provided to increase high school guidance counselors from 2.009 to 2.539 for each of the prototypical high schools—an increase of 0.53 units for every prototypical high school. The original 2013–15 Operating Budget already has an increase for guidance counselors that were not adopted in statute. This bill will add the currently funded amounts and the new amounts. Skills Center and CTE educational staff associates (ESA) will also be increased by 0.53. ESAs include school nurses, guidance counselors, school psychologists, librarians, and other similar positions.

Education-Related Bills That Passed—Titles

During the 2014 Legislative Session, over 1,300 bills, resolutions, and memorials were introduced—for a total of more than 4,100 pieces of legislation introduced during the two-year session. Of those, just over 200 were adopted by the 2014 Legislature. In 2014, WASA staff monitored almost 300 bills, resolutions, and memorials that had a direct or potentially indirect impact on K–12 education. Ultimately, 34 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.

2SHB 1709.....	Foreign language interpreters	2SSB 6062.....	School data internet access
SHB 2105.....	Governing body meeting agendas	SSB 6074.....	Homeless student outcomes
HB 2119.....	Official state waterfall	SB 6093.....	Background checks
HB 2137.....	Commercial motor vehicles	SB 6128.....	Delivery of student medications
HB 2167.....	Challenged schools	SSB 6129.....	Paraeducator development
E2SHB 2207.....	Federal forest deduction	SSB 6145.....	Official state oyster
HB 2276.....	Residential schools	2SSB 6163.....	Expanded learning opportunities
HB 2575.....	Teacher assignment data	ESSB 6242.....	Economy and efficiency waivers
SHB 2612.....	Opportunity Scholarship	SB 6321.....	Retirement contribution rate option
ESHB 2626.....	Educational attainment goals	SB 6424.....	Biliteracy seal
SHB 2739.....	Student success in school	SSB 6431.....	Youth suicide prevention
SSB 5173.....	Holidays of faith and conscience	ESSB 6436.....	College Bound Scholarship
2SSB 5958.....	Student transition services	ESSB 6517.....	PRA exemptions
ESB 5964.....	Open government training	SB 6523.....	Real Hope Act
ESSB 5972.....	Fires on forested lands	E2SSB 6552.....	Instructional hours and graduation requirements
2SSB 5973.....	Community Forest Trust Account	SCR 8409.....	High Skills High Wages plan
ESSB 6002.....	Supplemental Operating Budget		
SB 6013.....	EPI pens		

Education-Related Bills That Passed

2SHB 1709—Foreign language interpreters

(Representative Dahlquist)

C150 L14 – Partial Veto

Data from OSPI indicates that over 94,000 students were English Language Learners enrolled in the Transitional Bilingual Instruction Program in the 2013–14 school year. Those students, which represent nine percent of the total student enrollment, spoke more than 200 different languages.

2SHB 1709 requires the Office of the Education Ombuds (OEO), housed within the Office of the Governor, to conduct a feasibility study for development of a state foreign language education interpreter training program designed to create a pool of trained interpreters for public schools, including volunteer interpreters. The study is due to the Legislature by February 1, 2015 and must include:

- an overview of current need and availability of these interpreters;
- current practices for schools to provide these interpreters;
- an inventory of interpreter training programs in Washington and examples from other states;
- an examination of applicable federal and state laws that apply to provision of interpretation in public schools, including family and student privacy laws and Title VI of the Civil Rights Act of 1964; and
- an inventory of community resources for interpreter training, including for volunteer interpreters.

The final 2014 Supplemental Operating Budget provides OEO, via the Governor’s Office, with \$35,000 to complete the required study.

The bill also would have required the Washington State School Directors’ Association, in consultation with OEO and other interested parties, to develop a model family language access policy and procedure for school districts by June 1,

2015—if funds were appropriated. Funding to achieve this, however, was not provided in the Supplemental Budget.

OSPI and OEO must post information on agency websites regarding phone interpretation vendors under contract with the state, and school districts are encouraged to use these interpretation services to communicate with limited English proficient families.

Before signing the bill, Governor Inslee vetoed Section 1, the bill’s intent section. Inslee argued that the intent section discussed various experiences related to limited English proficient families and is not necessary to interpret or implement the substantive provisions of the bill.

SHB 2105—Government body meeting agendas

(Representative Hawkins)

C61 L14

The Open Public Meetings Act (OPMA) requires all meetings of the governing body of a public agency, including school boards, to be open to the public and that all persons be allowed to attend. Current law requires a schedule for regular meetings to be provided by ordinance, resolution, bylaws, or other rule; however, current law does not require posting regular meeting agendas online.

SHB 2105 adds a new section to the Open Public Meetings Act requiring public agencies with governing bodies, including school districts, to post meeting agendas online at least 24 hours in advance of each regular meeting. An agency is not required to post an agenda online, however, if the agency does not have a website or if it employs fewer than ten full-time equivalent employees.

HB 2119—Official state waterfall

(Representative Schmick)

C41 L14

Requested by students at Washtucna Elementary, HB 2119 designates Palouse Falls as the official state waterfall.

HB 2137—Commercial motor vehicles

(Representative Johnson, by request of Washington State Patrol)

C154 L14

Recently, Federal Motor Carrier Safety Administration (FMCSA) and State of Washington staff identified several state laws that appeared to be incompatible with federal rules. HB 2137 modifies provisions governing commercial motor vehicles to bring Washington law into conformity with federal laws and rules; the bill includes impacts on school buses.

Current federal code requires that every bus transporting passengers must stop at a railroad crossing. Current state law, however, exempts school buses or private carrier buses transporting school children or other passengers from stopping at a railroad crossing if OSPI has identified circumstances where such vehicles would not be required to stop. HB 2137 eliminates OSPI's authority to identify circumstances where school buses would not be required to stop, therefore, explicitly requiring all school buses to stop at all railroad crossings except at a limited number of crossings exempted by the Utilities and Transportation Commission.

HB 2167—Challenged schools

(Representative Lytton, by request of Superintendent of Public Instruction)

C191 L14 – Partial Veto

In 2013, the Legislature required OSPI to annually identify “challenged schools in need of improvement” and those schools that are the “persistently lowest-achieving schools.” OSPI was required to make its first report by December 1, 2013.

HB 2167 makes a technical change to the reporting requirement adopted last year. The due date for OSPI to identify challenged schools in need of improvement and the subset of such schools that are persistently the lowest-achieving is changed to February 1, 2014, rather than December 1, 2013.

The annual due date for each report is also changed to each February, rather than each December. This will help to ensure OSPI has all of the data necessary to properly identify schools.

E2SHB 2207—Federal forest deduction

(Representative Haigh)

C155 L14 – Partial Veto

Over 21 percent of all of Washington land is in national forests, which are exempt from local property tax. The federal government shares a portion of the revenues from the management of these lands (mostly harvesting activities) with public schools, universities, community colleges, and state institutions.

The federal government currently pays 25 percent of revenues from federal forest lands to the state. Per federal statute, the state Legislature determines how these revenues are spent for benefit of public schools and roads in the affected counties. Under current state law, 50 percent of the revenues are distributed to counties for roads and the remaining 50 percent is allocated to school districts within those counties. There are 215 school districts which have federal lands within their boundaries.

Although the federal government provides funds to compensate the state for property that is not taxable and state law provides impacted school districts with half of that revenue, those impacted school districts are precluded for using the funds. The amount of federal forest revenue is “deducted” from state basic education funding to school districts in counties with federal forest lands. The total estimated federal forest revenue to be distributed to school districts in Fiscal Year 2014 is approximately \$8.3 million (although the level of revenue continues to trend downwardly).

As originally introduced, this bill would have eliminated the reduction of federal forest revenues from school district basic education allocations; however, many legislators were concerned that the total cost to the state was too great. Later, amendments were adopted that would have phased out the deduction over a four-year period of time, but the

bill in that form stalled. Ultimately, a final compromise was negotiated as part of the 2014 Supplemental Operating Budget to partially eliminate the federal forest revenue deduction.

As adopted, E2SHB 2207 allows OSPI to continue to offset basic education allocations with federal forest revenues only for districts with poverty that is less than 57 percent. For districts with poverty levels of at least 57 percent, OSPI may only offset the portion of basic education allocations that exceed \$70,000. This changes the overall state fiscal impact from over \$8 million to just under \$2 million.

Before signing the bill, Governor Inslee vetoed Section 1 of the bill. The section included a technical drafting error that prevented any offsetting of federal forest funding from occurring for high poverty school districts. (This is language that failed to be cleaned up when the original bill was amended and limited.) In his veto message, Inslee noted this error is “in direct conflict with the \$70,000 annual limit established in Section 2 of this act.”

HB 2276—Residential schools

(Representative Robinson)

C157 L14

Certain school districts must provide a program of education to juveniles committed by the courts and confined in residential schools operated by the Department of Social and Health Services. School districts are allowed to contract with an ESD to provide the educational program. ESDs are authorized to enter into agreements with one or more school districts to provide cooperative services on their behalf or to coordinate joint purchase programs. Additionally, certain school districts must provide a program of education to juveniles at county detention facilities operated by certain counties.

For several years, ESDs have provided services for the detention centers at the request of school districts. Judges in Snohomish County, however, have interpreted current law as prohibiting county contracts with ESDs. To contract with the ESDs, the county had to create contracts between

three parties rather than two: between the ESDs and school districts and between the school districts and the counties.

HB 2276, requested by Everett School District and Northwest Educational Service District (ESD 189), explicitly authorizes an ESD to enter into an agreement to provide a program of education for residential school residents or detention facilities on behalf of a school district as a cooperative service program. This will allow an ESD to contract with a county directly, thereby reducing the number of contracting parties and allowing services to be provided in a more economical and efficient way.

HB 2575—Teacher assignment data

(Representative Bergquist, by request of Professional Educator Standards Board)

C161 L14

The Professional Educator Standards Board (PESB) is charged with maintaining the state’s system of educator preparation and certification. The 2010 Legislature also directed PESB to convene regional meetings of school districts and educator preparation programs to examine data and discuss topics related to educator workforce supply and demand. PESB concluded that many school districts do not finalize hiring of new teachers until August or September and some wait to finalize contracts until after the start of the school year, relying on substitute teachers for an indeterminate duration.

In an effort to better understand school district hiring patterns and timing, HB 2575 requires school districts to report the dates of teacher assignment and reassignment in the statewide student data system. The new reporting must begin no later than the beginning of the 2014–15 school year.

SHB 2612—Opportunity Scholarship

(Representative Hansen)

C208 L14

In 2011, the Legislature established the Opportunity Scholarship Program to support low- and middle-income resident students pursuing eligible high-demand majors in

science, technology, engineering, mathematics, and health care, and to encourage scholarship recipients to work in the state upon completion of their degrees.

SHB 2612 makes several changes to the Opportunity Scholarship Program and its administration:

- The Opportunity Scholarship Board, which oversees the program, is increased from seven to 11 members and the membership composition of the Board is also adjusted;
- The date for the annual disbursements of scholarship funds is changed from May 1 to October 1;
- The Scholarship Board is authorized to elect to have the Washington State Investment Board (WSIB) invest funds in the Scholarship and Endowment Accounts with other funds subject to investment by the WSIB; and
- The Washington Student Achievement Council is directed to enter into an agreement with the Program Administrator to demonstrate exchange of consideration for matching funds.

The 2014 Supplemental Operating Budget provides the Washington Student Achievement Council with \$25.4 million to expand the Opportunity Scholarship Program. This funding will expand the number of scholarships available and match additional private contributions received.

ESHB 2626—Educational attainment goals

(Representative Seaquist)

C209 L14

The 2012 Legislature created the Washington Student Achievement Council (WSAC) to take a leading role in higher education research and analysis, and link the work of OSPI, the State Board for Community and Technical College (SBCTC), the State Board of Education (SBE), the Professional Educator Standards Board (PESB), the Workforce Training and Education Coordinating Board (Workforce Board), public baccalaureate institutions, and independent schools and colleges. One of WSAC's key

strategic charges is to propose statewide educational attainment goals and priorities aligned with the state's biennial budget and policy cycles. The goals must address the needs of Washington residents to reach higher levels of educational attainment and Washington's workforce needs for certificates and degrees in particular fields of study.

WSAC is also required to create a two-year strategic action plan, to be updated every two years and a Ten-Year Roadmap to be updated every two years. In order to conduct strategic planning WSAC must collaborate with related agencies and stakeholders. Strategies must address:

- strategic planning, including setting benchmarks and goals for long-term degree production generally and in particular fields of study;
- expanding access, affordability, quality, efficiency, and accountability among the various institutions of higher education;
- higher education finance planning and strategic investments;
- system design and coordination;
- improving student transitions;
- higher education data and analysis, in collaboration with the Education Data and Research Center;
- college and career preparedness in collaboration with the OSPI and the SBE;
- expanding participation and success for racial and ethnic minorities in higher education; and
- relevant policy research.

ESHB 2626 sets out the Legislature's findings related to the critical role of educational attainment in the health of the state's economy:

- increasing educational attainment is vital to the well-being of Washingtonians and critical to the health of the state's economy;
- education opens doors to gainful employment, higher wages, increased job benefits, improved physical health, and increased civic engagement;

- educated workers who are capable of competing for high-demand jobs in today’s global economy sustain existing employers and attract new businesses;
- individuals with competitive higher education credentials directly contribute to the state’s economic growth and vitality;
- workforce and labor market projections estimate that by 2020 the vast majority of jobs in Washington will require at least a high school diploma or equivalent and 70 percent of those jobs will also require some postsecondary education; and
- current levels of educational attainment are inadequate to address the educational needs of the state.

Through this bill, the Legislature also acknowledges WSAC’s recommendations in the higher education Ten-Year Roadmap, in particular two goals intended to “meet the societal and economic needs of the future”:

1. All adults in Washington ages 25 to 44 will have a high school diploma or equivalent by 2023; and
2. At least 70 percent of Washington adults ages 25 to 44 will have a postsecondary credential by 2023.

SHB 2739—Student success in school

(Representative Ortiz-Self)

C196 L14

Emerging evidence from multiple academic fields such as neuroscience, molecular biology, genomics, developmental psychology, epidemiology, and sociology suggests that prolonged exposure to toxic stress can disrupt brain development and increase risk for diseases and impair cognitive development.

SHB 2739 requires the Education Research & Data Center within the Office of Financial Management to contract with the Area Health Education Center of Eastern Washington through the Washington State University extension to conduct a geographic analysis. Using existing data, researchers must identify areas where cumulative effects of family factors, such as health status and safety, correlate with academic and behavioral indicators of student success. In addition to including maps that illustrate

community variation in family factors, the report must include the following:

- the prevalence of family and community health, safety, and stability factors relevant to student success;
- resilience factors that are statistically correlated with improved population outcomes even in populations with family, health, safety, and stability challenges;
- correlation of the factors with community variation in academic, behavior, and graduation outcomes; and
- implications for policy targeted at improving K–12 or postsecondary outcomes.

The Education Research & Data Center must provide a report to the Legislature by January 31, 2015.

The 2014 Supplemental Operating Budget provides the Office of Financial Management with \$262,000 for staffing and to contract for the required analysis.

SHB 5173—Holidays of faith and conscience

(Senator Haseqawa)

C168 L14

SSB 5173 grants to employees of the state and its political subdivisions—including employees of school districts and nonclassified employees of higher education institutions who hold appointments or are employed under contracts for less than 12 consecutive months—two unpaid holidays per calendar year for reasons of faith or conscience or for an organized activity conducted under the auspices of a religious denomination, church, or religious organization. Employees of public institutions of higher education, including community colleges, technical colleges, and workforce training programs are included in the group of employees who can take the two unpaid days.

An employer must allow an employee to take an unpaid holiday on a specific day for a reason of faith or conscience or for an organized activity conducted under the auspices of a religious denomination, church, or religious organization unless the employee’s absence would impose an undue hardship on the employer or the employee is necessary to

maintain public safety. The Office of Financial Management must establish a definition for undue hardship.

Additionally, subject to approval by the students' parents, students are excused from school for reasons of faith or conscience or for an organized activity conducted under the auspices of a religious denomination, church, or religious organization for up to two days per academic year without penalty. Students excused for these absences may still be claimed as full-time equivalent students. The student absences will not affect school district compliance with basic education minimum instructional requirements, annual basic education allocation requirements, or enrollment calculations. The student absences may not mandate school closures.

Institutions of higher education and state-funded workforce training programs must develop policies to accommodate student absences for reasons of faith or conscience to prevent adverse effects on students' grades.

2SHB 5958—Student transition services

(Senator McAuliffe)

C47 L14

Currently, OSPI has an interagency program agreement with the Division of Vocational Rehabilitation and the Department Services for the Blind for implementation and assignment of responsibility for each agency as to its role in coordinating transitions for students who are eligible for special education services under the Individuals with Disabilities Education Act.

OSPI offers transition services as a component of an Individualized Education Program starting at age 16, which is consistent with federal law. OSPI must provide post-high school data to the US Department of Education each year on post-high school outcomes for special education services students. OSPI also works with the Center for Change in Transition Services, housed at Seattle University, to track and report on post-school outcomes for special education services students.

2SSB 5958 requires OSPI to establish interagency agreements with agencies that provide high school

transition services for individualized education plan eligible special education students. The purpose of the interagency agreements is to foster multiagency collaboration to provide transition services for special education students from the beginning of transition services through age 21 or high school graduation, whichever occurs first. Interagency agreements entered into by OSPI, however, must not interfere with existing individualized education programs, nor override any individualized education program team's decision-making power.

Additionally, the agreements are intended to streamline services and programs, promote efficiencies, and establish a uniform focus on improved outcomes related to self-sufficiency; however, transition services plan development in addition to what already exists in law is not required.

Finally, 2SSB 5958 requires the Education Research & Data Center (ERDC), housed within the Office of Financial Management, to monitor a number of outcomes for special education students after high school graduation, to the extent that data is available through data-sharing agreements established by ERDC. OSPI, using existing resources, is required to prepare an annual report on the data and outcomes and submit the report to the Legislature.

ESB 5964—Open government training

(Senator Fain, by request of Attorney General)

C66 L14

The Open Public Meetings Act (OPMA) requires all meetings of the governing body of a public agency, including school district boards of directors, to be open to the public and all persons must be allowed to attend. The Public Records Act (PRA) requires all state and local government agencies, including school districts, to make all public records available for public inspection and copying unless the records are specifically exempted by law. Under PRA, a public record includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency, regardless of physical form or characteristics.

Every year there are hundreds of public records disputes and violations of the Open Public Meetings Act. The vast majority of the PRA disputes and OPMA violations are not malicious or intentional; they are often the result of insufficient training and knowledge about the proper application of the PRA and/or OPMA. ESB 5964, requested by the Attorney General, is expected to reduce the number of unintended violations of law.

The bill requires every member of the governing body of a public agency, including school directors, to complete training in OPMA requirements within 90 days of assuming their duties, and complete training at least once every four years as long as the individual is a member of the agency's governing body. The training may be completed remotely.

Officials in statewide or local elective office, including school directors, must complete training in PRA requirements and records retention protocols within 90 days of assuming their duties, and complete refresher training at least once every four years as long as they remain in office. The training must be consistent with the Attorney General's model rules for PRA compliance and may be completed remotely.

Public records officers for state and local agencies, including school districts, and state agency records retention officers must also complete training in PRA requirements and records retention protocols within 90 days of assuming their responsibilities, and complete refresher training at least once every four years as long as they remain designated as such. The training must be consistent with the Attorney General's model rules for PRA compliance and may be completed remotely.

Note: the Attorney General's Office has prepared a Q&A on the requirements of the 2014 Open Government Trainings Act (ESB 5964). The document is posted on the AG's Open Government Training webpage at: <http://www.atg.wa.gov/OpenGovernmentTraining>. This page also includes a series of training resources.

The Attorney General's Office notes that public agency officials and employees not listed in ESB 5964 are not required to receive training; however, the bill sets only

minimum training. Agencies and local governments are encouraged to consider that persons in other positions are subject to or working with these laws, and would likely benefit from receiving training, if feasible. Training on the laws is a best practice, even if not specifically required by law.

ESSB 5972—Fires on forested lands

(Senator Pearson, by request of Commissioner of Public Lands)

C81 L14

In general, failure by a landowner to take reasonable care to prevent fire from spreading creates liability to any person suffering damage as a result. More specifically, a person whose negligence is responsible for the starting or existence of a fire is liable for the reasonable expenses of the responding firefighting entity. Likewise, those with knowledge of the existence of a fire must undertake reasonable suppression efforts or face liability for subsequent firefighting costs.

The longstanding common law rule is that a landowner is liable for damages proximately caused by negligence in starting or controlling a fire. In general, recoverable damages are those proximately resulting from that negligence. In determining damages, Washington courts have stated the intent to place the injured party as nearly as possible in the condition they would be had the injury not occurred.

The federal government has become increasingly aggressive in using state laws to obtain excessive judgments and settlements in forest fire cases, which causes great concern in Washington because of the large amount of federal forest lands in the state. Under current state law, Washington's public and private forest landowners, including state trust lands (set aside to benefit school districts), are at a risk of having to pay excessive claims.

ESSB 5972, requested by the Commissioner of Public Lands, is a preventative measure that provides certainty by putting into statute the current traditional measure

of property damages in fire cases and establishes one standard that applies to everyone.

The bill establishes a new statutory cause of action for property damage to public or private forested lands resulting from a fire that started on or spread from forested lands. An affected owner of forested lands must bring this action in Superior Court. When it applies, the cause of action is the exclusive remedy for fire-related property damage.

Liability under the new cause of action attaches where a person's action or inaction relates to the start or spread of a fire, constitutes negligence or a higher degree of fault, and is a proximate cause of the property damage. When liability attaches, recoverable property damages are limited to the following:

- either (1) the difference in fair market value of the property immediately before and after the fire, or (2) the reasonable cost of restoration, to the extent permitted by Washington law. The fair market value determination for real property must be made by a state-certified real estate appraiser after evaluation of specified aspects of the property and consistent with standards of professional appraisal practice applicable to these appraisers;
- reasonable fire suppression expenses, unless otherwise provided for in the fire protection statutes;
- any other objectively verifiable monetary loss, such as loss of earnings, loss of use of property, and loss of business and employment opportunities; and
- damages for injury to archaeological objects, archaeological sites, or historic archeological resources in an action brought by a tribe, to be measured under an existing rule of the Department of Archaeology and Historic Preservation that provides for identification of an independent investigator and necessary site restoration actions.

The new cause of action applies to property damage to forested lands resulting from a fire that started on or spread from forested lands. Forested lands are those capable of growing tree species suitable for producing

wood-based forest products, regardless of the existing land use. However, the term excludes lands where the predominant physical use of the land is inconsistent with growing, conserving, or preserving these tree species. Examples of inconsistent use include home sites of up to ten acres, airports, parking lots, crop fields, pastures, roads, and railroad and utility rights of way.

2SSB 5973—Community Forest Trust Account

(Senator Rolfes, by request of Commissioner of Public Lands)

C32 L14

In 2011, the Legislature provided the Department of Natural Resources (DNR) with discretionary authority to create and manage a Community Forest Trust (CFT) Program. A CFT is a discrete category of non-fiduciary lands held by DNR and actively managed to generate financial support for the CFT and to sustain working forest conservation objectives.

The Legislature authorized DNR to use the Resource Management Cost Account and Parkland Trust Revolving Fund to hold and manage funds relating to CFT acquisitions and DNR's management costs. Each of these accounts is also used by DNR to hold and manage funds that relate to transactions involving federally granted lands or state forest lands.

2SSB 5973 establishes a new CFT Account for purposes of holding and managing funds relating to the CFT program. All funds received for CFT purposes, including appropriations, funds transfers, and revenue from valuable material sales, must be deposited in the account. This separate fund for the CFT will allow DNR to segregate funds related to the CFT from other monies tied to other trust holdings and will allow the Department to account for the CFT in a more clear and transparent manner.

The CFT Account is an appropriated account that retains its earned interest. The Commissioner of Public Lands generally approves account expenditures, except the Board of Natural Resources must do so for expenditures to acquire CFT land or reimburse state and local government contributions for an acquisition.

ESSB 6002—Supplemental Operating Budget

(Senator Hill, by request of Governor Inslee)

C221 L14 – Partial Veto

This is the 2014 Supplemental Operating Budget, which makes adjustments to the 2013–15 Operating Budget adopted last session. For details, see the budget section earlier in this report.

SB 6013—EPI pens

(Senator Mullet)

C34 L14

Legislation was adopted last year (ESB 5104), which permitted school districts to maintain a supply of epinephrine autoinjectors, or EPI pens, at schools. The law, which went into effect on July 28, 2013, allows EPI pens to be used under certain conditions on school property, including the school bus, and during sanctioned trips away from school property.

SB 6013 makes technical corrections to the statute that was amended last year. Specifically, a correction is made to the reference to the standing protocol that a school nurse or designated trained school employee may use when responding to an anaphylactic reaction of a student with a prescription for epinephrine on file.

2SSB 6062—School data internet access

(Senator Hill)

C211 L14

In an effort to enhance transparency, 2SSB 6062 requires every school district, charter school, and state-tribal compact school to publish on its website a copy of its public school employee collective bargaining agreements (CBA) by September 1, 2014. Following the initial posting of CBAs, websites must be updated within 30 days of approval, renewal, or amendment of any such agreement.

An amendment added late in the process (and without any opportunity for public input), also requires each school district that has an Associated Student Body (ASB) program fund to publish the following information about the fund on its website:

- the fund balance at the beginning of the school year;
- summary data about expenditures and revenues occurring over the course of the school year; and
- the fund balance at the end of the school year.

This information must be published for each ASB of the district and each account within the ASB program fund. This information must be published no later than August 31, 2014 for the 2012–13 and 2013–14 school years and districts must annually update the information thereafter. If the school district website contains separate websites for schools in the district, the required information must be published on the website of the applicable school of the ASB.

2SB 6074—Homeless student outcomes

(Senator Frockt)

C212 L14

This bill requires OSPI, by January 10, 2015, and every odd-numbered year thereafter, to report to the Governor and the Legislature the following data regarding homeless students:

1. the number of identified homeless students enrolled in public schools;
2. the number of students participating in the Learning Assistance Program, the Highly Capable program, and the Running Start program; and
3. the academic performance and educational outcomes of homeless students, including but not limited to the following performance and educational outcomes:
 - student scores on the statewide administered academic assessments;
 - English language proficiency;
 - dropout rates;
 - four-year adjusted cohort graduation rate;
 - five-year adjusted cohort graduation rate;
 - absenteeism rates;
 - truancy rates, if available; and
 - suspension and expulsion data.

This reported data must include state and district-level information and must be disaggregated by at least the following subgroups of students: White, Black, Hispanic, American Indian/Alaskan Native, Asian, Pacific Islander/Hawaiian Native, low income, transitional bilingual, migrant, special education, and gender.

By July 1, 2014, OSPI, in collaboration with experts from community organizations on homelessness and homeless education policy, must develop or acquire a short video that provides information on how to identify signs that indicate a student may be homeless, how to provide services and support to homeless students, and why this identification and support is critical to student success. The video must be posted on OSPI's website.

By July 1, 2014, OSPI must also adopt and distribute to each school district, best practices for choosing and training school district-designated homeless student liaisons.

On an annual basis each school district must strongly encourage:

- all school staff to review the video posted on OSPI's website on how to identify signs that indicate a student may be homeless, how to provide services and support to homeless students, and why this identification and support is critical to student success to ensure that homeless students are appropriately identified and supported; and
- every district-designated homeless student liaison to attend trainings provided by the state to ensure that homeless children and youth are identified and served.

Each school district is required to include in existing materials that are shared with students at the beginning of the school year or at enrollment, information about services and support for homeless students. School districts may use the brochure currently posted on OSPI's website as a resource. Schools are also strongly encouraged to use a variety of communications each year to notify students and families about services and support available to them if they experience homelessness, including but not limited to:

- distributing and collecting an annual housing intake survey;
- providing parent brochures directly to students and families;
- announcing the information at school-wide assemblies; or
- posting information on the district's website or linking to OSPI's website.

Each school district is also required to account for the educational progress of each of its students. To achieve this, school districts must report annually to OSPI on a number of issues, including dropout rates for student populations in each of the grades seven through 12 by identified homeless status.

SB 6093—Background checks

(Senator Rolfes, by request of Department of Early Learning, Superintendent of Public Instruction)

C50 L14

The Department of Early Learning (DEL) oversees the licensing and monitoring of multiple programs and services, including: family home child care facilities and child care centers; the Early Childhood Education and Assistance Program; the Early Support for Infants and Toddlers Program; home visiting services; the Washington Kindergarten Inventory of Developing Skills; Medicaid Treatment Child Care; the Early Learning Advisory Council; and Early Achievers.

DEL is required by law to conduct background checks of applicants for employment in any licensed child care facility. Cleared background checks are good for three years in Washington, and are portable, which means the individual may use the clearance to work in multiple child care settings.

Anyone over 16 years of age who is new to the child care field or has lived in Washington for less than three consecutive years must also have a fingerprint check done. DEL contracts with a vendor that collects the electronic fingerprints and sends them to the Washington State Patrol, which works with the Federal Bureau of

Investigation to process the fingerprints. The results are sent to DEL.

SB 6093 authorizes educational employees and contractors who hold a valid portable Background Check Clearance Card issued by the Department of Early Learning to meet record check requirements by providing a true and accurate copy of their background report results from the Washington State Patrol and the Federal Bureau of Investigation to OSPI.

SB 6128—Delivery of students medications

(Senator Litzow)

C204 L14 – Partial Veto

Under provisions of SB 6128, beginning July 1, 2014, a school district employee not licensed under the Nursing Care Quality Assurance Commission's statute who is asked to administer medications or perform nursing services not previously recognized in law must file—at the time the employee is asked to administer the medication or perform the nursing service—a voluntary, written, current, and unexpired letter of intent stating the employee's willingness to administer the new medication or nursing service. It is understood that the letter of intent expires if the conditions of acceptance are substantially changed. If a school employee who is not licensed under the Nursing Care statute chooses not to file a letter, the employee must not be subject to any employer reprisal or disciplinary action for refusing to file a letter.

If a school employee provides the medication or service to a student in substantial compliance with rules adopted by the Commission and the instructions of a registered nurse or advanced registered nurse practitioner issued under such rules and written policies of the school district, then the employee, the employee's school district or school of employment, and the members of the governing board and chief administrator thereof are not liable in any criminal action or for civil damages in individual, marital, governmental, corporate, or other capacity as a result of providing the medication or service.

The bill also requires the school district board of directors to designate a professional person licensed under certain medical professional statutes to consult and coordinate with the student's parents and health care provider, and train and supervise the appropriate school district personnel in proper procedures to ensure a safe, therapeutic learning environment. School employees must receive the training provided under this law before they are authorized to deliver the service or medication. Such training must be provided, when necessary, on an ongoing basis to ensure that the proper procedures are not forgotten because the services or medication are delivered infrequently.

Finally, non-nurse school employees are added to the list of individuals who are not liable for civil damages resulting from any act or omission in the rendering of emergency care at the scene of an emergency, during a school activity or in transporting a person there from, other than acts or omissions constituting gross negligence or willful or wanton misconduct.

SSB 6129—Paraeducator development

(Senator Hill)

C136 L14 – Partial Veto

Paraeducators are classified staff in a school who perform many functions, including providing instructional assistance and tutoring under the supervision of a teacher. Currently, there are no state requirements regarding the educational qualifications of paraeducators, although OSPI has developed recommended core competencies and guidelines for paraeducators.

Under the federal No Child Left Behind Act, paraeducators who provide instruction and are paid in whole or in part by Title I funds must meet a federal definition of highly qualified. Since 2006, Title I paraeducators must have a high school diploma or equivalent, and one of the three of the following:

- have completed two years of study at an institution of higher education;
- have earned an Associate's Degree or higher; or

- demonstrate competency through an approved formal assessment.

In Washington, there are multiple options for the formal assessment, including an online assessment administered by the Educational Testing Service; a portfolio that is graded by a regional review panel; a school district assessment approved by OSPI; or an approved paraeducator apprenticeship program.

Paraeducators not associated with Title I are not required to meet these qualifications, although many districts encourage it to allow for flexibility in staffing.

SSB 6129 requires the Professional Educator Standards Board (PESB) to convene a workgroup to: design program specific minimum employment standards for paraeducators; professional development and education opportunities that support the standards; a paraeducator career ladder; an articulated pathway for teacher preparation and certification; and teacher professional development on how to maximize the use of paraeducators in the classroom.

The bill specifies the composition of the workgroup, which includes a representative of WASA.

By January 10, 2015, the workgroup must submit a report to the Legislature recommending:

- appropriate minimum employment standards and professional development opportunities for paraeducators who work in English language learner programs, transitional bilingual instruction programs, federal limited English proficiency programs, the Learning Assistance Program, and the Federal Disadvantaged Program;
- a career ladder that encourages paraeducators to pursue advanced education and professional development; and
- professional development for certificated employees that focuses on maximizing the success of paraeducators in the classroom.

The workgroup must also report on proposals for an articulated pathway for teacher preparation including the following:

- paraeducator certificate and apprenticeship programs that offer course credits that apply to transferrable associate degree programs and are aligned with the standards and competencies adopted by PESB;
- associate degree programs that build upon and do not duplicate the courses and competencies of paraeducator certificate programs, incorporate field experiences, are aligned with the standards and competencies for teachers adopted by PESB, and are transferrable to bachelor's degree in education programs and teacher certification programs;
- bachelor's degree programs that lead to teacher certification that build upon and do not duplicate the courses and competencies of transferrable associate degrees;
- incorporation of the standards for cultural competence developed by PESB and codified at RCW 28A.410.270 throughout the courses and curriculum of the pathway, particularly focusing on multicultural education and principles of language acquisition; and
- comparing the current status of pathways for teacher certification to the elements of the articulated pathway, highlighting gaps and recommending strategies to address those gaps.

The workgroup must submit a final report to the education committees of the Legislature by January 10, 2016, detailing minimum employment standards for basic education and special education paraeducators and appropriate professional development and training to help paraeducators meet the employment standards.

The bill also authorizes PESB and the State Board of Community and Technical Colleges (SBCTC) to implement the articulated pathway regarding teacher preparation and certification recommended by the workgroup in approved teacher certification programs and certificate and degree programs offered by Community and Technical Colleges.

Beginning in the 2015–16 academic year, any Community or Technical College that offers an apprenticeship program or certificate program for paraeducators must provide candidates the opportunity to earn transferrable course credits within the program. The programs must also incorporate the standards for cultural competence, including multicultural education and principles of language acquisition, developed by PESB and established in law (RCW 28A.410.270).

The 2014 Supplemental Operating Budget provides PESB with \$128,000 to implement this bill. Another \$181,000 is provided to the State Board for Community and Technical College Board to participate in the workgroup and implement provisions of the bill.

Before signing the bill, Governor Inslee vetoed Section 1, the bill's intent section. Inslee argued that the intent section discussed various experiences of school paraeducators and is not necessary to interpret or implement the substantive provisions of the bill.

SSB 6145—Official state oyster

(Senator Hatfield)

C146 L14

Requested by students at the NOVA Middle School in Olympia, SSB 6145 designates the *Ostrea lurida*, commonly known as the Olympia oyster, as the official state oyster.

2SSB 6163—Expanded learning opportunities

(Senator Billig)

C219 L14

Research has shown that many students, especially students from low-income families, experience learning losses when they do not engage in educational activities during the summer. Studies have also documented that summer learning loss is cumulative over time and widens the existing educational opportunity gap. Some studies recommend participation in expanded learning opportunities during the school year and summer to mitigate summer learning loss and improve student

academic performance, attendance, on-time grade advancement, and classroom behaviors.

2SSB 6163 is intended to assist struggling students by providing expanded learning opportunities. The final bill is a comprehensive combination of the original SB 6163, melded with concepts from SB 6209 and SB 6336/HB 2317.

The bill defines expanded learning opportunities (ELOs) as:

- culturally responsive enrichment and learning activities that may focus on an array of academic and nonacademic areas;
- school-based programs that provide extended learning and enriching experiences beyond the traditional school day or calendar; and
- structured, intentional, and creative learning environments outside the traditional school day that are provided by community-based organizations in partnership with schools and align in-school and out-of-school learning to complement classroom-based instruction.

An ELO Council is established to advise the Governor, the Legislature, and OSPI regarding an ELO system, with particular attention to solutions to summer learning loss. The Council is charged with providing vision, guidance, and assistance related to summer learning opportunities, school-year calendar modifications to reduce summer learning loss, increasing partnerships between schools and community-based organizations to deliver the ELOs, and other programs or initiatives that could contribute to a statewide ELO system.

The bill requires the ELO Council to identify resources and partnership opportunities, coordinate policy development, set quality standards, promote evidence-based strategies, develop a comprehensive action plan, and track performance of the ELOs in closing the opportunity gap. When making recommendations for evidence-based strategies, the ELO Council must consider the state best practices menus developed by OSPI's expert panel as required in legislation adopted last session; the first menu is to be completed by July 1, 2014.

OSPI is directed to convene the ELO Council. The Council must be comprised of individuals who have experience with ELOs and include representation of diverse student interests and geographical locations. Up to 15 individuals may be invited to participate, with representation from specified organizations and associations (including WASA). Staff support will be provided by OSPI. Appointees to the ELO Council must be selected by May 30, 2014, and the first meeting must be held before August 1, 2014. The first report from the Council is due December 1, 2014, and annually thereafter until 2018.

The bill also created the Summer Knowledge Improvement Program (SKIP); however its creation was subject to funds appropriated in the budget. The 2014 Supplemental Operating Budget provides no such funding. The purpose of SKIP is to implement an extended school year to combat summer learning loss and provide an opportunity to evaluate the effectiveness of an extended school year in improving student achievement and closing the educational opportunity gap.

If funds are appropriated for SKIP or other initiatives to reduce summer learning loss or expand the ELOs, the Council must monitor progress, serve as a resource, and oversee an evaluation of effectiveness in improving student academic progress. If funds are not appropriated, the first report from the Council, and any subsequent reports as necessary, must include recommendations for an action plan for a program to reduce summer learning loss through additional student learning days in elementary schools with low-income students. The Council may also recommend additional strategies.

The 2014 Supplemental Operating Budget provided \$83,000 to provide for staff support to the Expanded Learning Opportunities Council; however, no additional funding was provided for SKIP or other initiatives.

ESSB 6242—Economy and efficiency waivers

(Senator King)

C171 L14

The 2009 Legislature created a pilot program authorizing the State Board of Education to grant waivers from the 180-day school year calendar to enable small school districts to operate on a flexible school calendar. The school districts, however, were still required to meet the minimum number of instructional hours required by law. The waivers were limited to two waivers for small school districts with fewer than 150 students and three waivers for school districts with 151–500 students. The waivers could be granted for up to three years. The pilot program is scheduled to sunset August 31, 2014.

After each school year, the State Board was required to determine whether the flexible calendar is adversely affecting student learning. If it was determined that student learning is adversely affected then the school district would have been required to discontinue the flexible calendar. The Bickleton and Patterson School Districts have implemented a four-day school week using these waivers since January 2010.

The original legislation also required the State Board to recommend whether the waiver program should be continued, modified, or allowed to end. At the November 2013 SBE meeting, the Board recommended that the waivers be allowed to continue for an interim period.

ESSB 6242 extends the State Board of Education's authority to grant a limited number of small school districts a waiver to the 180-school day to operate on a flexible school calendar through August 31, 2017. The waivers remain limited to five school districts. While earlier language would not have specified that two of the waivers be granted to districts with fewer than 150 students and three of the waivers be granted to districts with 150–500 students, that restrictive language from the original 2009 law was ultimately restored. In addition to other waiver application requirements, districts must explain the impact of the waiver on employees in education support positions. The requirement that school districts that are granted these waivers must continue to provide the minimum instructional hour offerings is maintained.

Finally, the requirement that the State Board of Education provide a report to the Legislature regarding the waivers is eliminated.

SB 6321—Retirement contribution rate option

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

C95 L14

The Teachers' Retirement System (TRS), the School Employees' Retirement System (SERS), and the Public Employees' Retirement System (PERS) each have multiple plans. Plan 1 has been closed since 1977. Since 2002, new hires have had a choice between two different retirement options: Plan 2 (a defined benefit plan) and Plan 3 (a hybrid defined benefit/defined contribution plan). New hires choosing Plan 3 must choose a contribution rate option for their Defined Contribution accounts. For members of SERS 3 and PERS 3, this selection is permanent. The only way for those members to change rate options is to change employers. Members of TRS 3, however, have been able to change their contribution rate option in January of each year by notifying their employer in writing.

In February 2013, the federal Internal Revenue Service (IRS) informed the state Department of Retirement Systems that TRS 3 would remain a tax-qualified plan only if the Legislature removed the option for TRS 3 members to change their contribution rate each year.

SB 6321 eliminates the current opportunity of TRS 3 members to select a new contribution rate option each year for their individual defined contribution accounts. The change is effective after January 2015 for members of TRS 3.

Legislation was adopted in 2003 providing members of SERS 3 and PERS 3 with the option to annually change their defined contribution rates; however, the statutory change was never implemented because the IRS had changed its position on the allowance to change contributions rates. This bill eliminates the never-implemented statutory authority for SERS 3 and PERS 3 members to change defined contribution rates.

SB 6424—Biliteracy seal

(Senator Roach)

C102 L14

SB 6424 establishes a new Washington State Seal of Biliteracy to recognize public high school graduates who attain a high level of proficiency in speaking, reading, and writing in one or more world languages in addition to English.

The bill requires OSPI to adopt rules establishing criteria for the award of the Seal, including requiring a student to demonstrate proficiency in English by meeting the state high school graduation requirements in English, and proficiency in one or more other world languages. For the purposes of awarding the Seal, world languages include American Sign Language and Native American languages.

School districts are encouraged to award the Seal to qualifying students, and participating districts must place a notation on the student's diploma and transcript indicating the student has earned the Seal. Technical changes are made to permit the standardized high school transcript to include a notation of whether the student has earned the Seal.

OSPI is required to report to the Legislature by December 1, 2017: the number of students awarded the Seal in the previous two school years and the languages spoken by those students; and the number of students enrolled or previously enrolled in the Transitional Bilingual Instructional Program (TBIP) and the languages spoken by those students. OSPI must also report the methods used by students to demonstrate proficiency for the Seal, and how OSPI plans to increase the number of possible methods for students to demonstrate proficiency, particularly in world languages that are not widely spoken.

The 2014 Supplemental Operating Budget provides OSPI with \$21,000 to implement this bill.

SSB 6431—Youth suicide prevention

(Senator Hargrove)

C103 L14

Currently, OSPI is required by law to work with state agency and community partners to develop pilot projects to assist schools in implementing youth suicide prevention activities. Legislation adopted last year (ESHB 1336) increases the capacity for school districts to recognize and respond to youth in need, including emotional and behavioral distress in students and indicators of possible substance abuse, violence, and suicide, through additional training, more comprehensive planning, and emphasis on partnerships between schools and communities.

SSB 6431 expands on last session's bill and requires OSPI to work with state agency and community partners to assist schools in implementing youth suicide prevention activities, which may include the following:

- training for school employees, parents, community members, and students in recognizing and responding to the signs of suicide;
- partnering with local coalitions of community members interested in preventing youth suicide; and
- responding to communities determined to be in crisis after a suicide or attempted suicide to prevent further instances of suicide.

OSPI is required to prioritize funding appropriated for implementing youth suicide prevention activities to communities identified as the highest risk. Additionally, OSPI, working with state and community partners, must prioritize funding appropriated for implementing such youth suicide prevention activities, to the following schools and communities:

- schools identified by the Department of Health as situated in a high-risk area or in a community with high-risk populations;
- tribal communities; and
- communities with a high percentage of students who speak English as a second language.

The 2014 Supplemental Operating Budget provides \$148,000 to implement this bill.

ESSB 6436—College Bound Scholarship

(Senator Frockt)

C215 L14

The Washington College Bound Scholarship Program was created in 2007. Students are eligible if they qualify for free or reduced-price lunch. To be awarded the scholarship, an eligible student must pledge, during grade seven or eight, which they will: (1) graduate from high school; (2) graduate with at least a C average; and (3) not have any felony convictions. To receive the scholarship, the student must have kept the pledge, have a family income at high school graduation below 65 percent of the state median, and be a resident student.

Although data indicates the scholarship program is successful, it faces long-term challenges. ESSB 6436 creates a College Bound Scholarship Program workgroup to make recommendations to ensure the program is viable, productive, and effective.

The workgroup, which must be appointed by June 30, 2014, is comprised of eleven members. The specified members include legislators, representatives of the higher education and one representative from the middle school system. The workgroup is required to submit a report by December 31, 2014, to the Legislature with recommendations for making the program viable, including but not limited to funding.

The bill specifies that the workgroup must meet at least once, but no more than five times, and will be staffed jointly by Senate Committee Services and the Office of Program Research in the House of Representatives. The Office of Financial Management is required to present necessary data.

ESSB 6517—PRA exemptions

(Senator Roach)

C106 L14

The Public Records Act (PRA) requires all state and local government agencies, including school districts, to make all public records available for public inspection and copying

unless the records are specifically exempted by law. Under current law, certain employment and licensing information contained in the files of a public agency is exempt from the provisions of the Public Records Act.

ESSB 6517 adds to the list of employee information that is exempt from PRA by specifically declaring driver's license or identicaid numbers of employees or volunteers of a public agency are exempt from public inspection and copying.

SB 6523—Real Hope Act

(Senator Bailey)

C1 L14

Several years ago, Washington adopted legislation that made undocumented students, under specific conditions, eligible for in-state tuition rates at Washington's public institutions of higher education. Students without legal immigrant status, however, are ineligible for federal financial aid and have been blocked from receiving certain in-state assistance.

SB 6523, known as the Real Hope Act, makes students eligible for the State Need Grant program if they meet the category of resident student that includes any person who:

- completed the full senior year of high school and obtained a diploma at a Washington public or private high school, or received the equivalent of a diploma;
- lived in Washington for at least three years immediately prior to receiving the diploma or its equivalent;
- continuously lived in the state after receiving the diploma or its equivalent and until being admitted to a public institution of higher education; and
- provided to the institution an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in other activities necessary to acquire citizenship.

Additionally, students are eligible for the State Need Grant program if they are granted federal Deferred Action for Childhood Arrival (DACA) Status, and

- completed the full senior year of high school and obtained a diploma at a Washington public or private high school, or received the equivalent of a diploma;
- lived in Washington for at least three years immediately prior to receiving the diploma or its equivalent; and
- continuously lived in the state after receiving the diploma or its equivalent and until being admitted to a public institution of higher education.

The 2014 Supplemental Operating Budget provides an additional \$5 million to the State Need Grant program to implement the provisions of this bill.

E2SSB 6552—Instructional hours and graduation requirements

(Senator Rolfes)

C217 L14 – Partial Veto

This is the bill that provides a “fix” for the untenable instructional hour increase adopted by the 2013 Legislature and required to be implemented by the 2014–15 school year. In short, E2SSB 6552, as adopted: provides for CTE course equivalencies; delays and restructures the instructional hour requirement; addresses the senior graduation week issue; authorizes the State Board of Education to implement the 24-credit diploma; and reprograms the 2013–15 instructional hour appropriation.

For complete details on this comprehensive bill, please see: “Special Focus: Instructional Hours & Graduation Requirements (E2SSB 6552)” earlier in this report.

SCR 8409—High Skills High Wages plan

(Senator Bailey)

Filed with Secretary of State

The Workforce Training and Education Coordinating Board (Board) was created in 1991 to provide planning, coordination, evaluation, monitoring, and policy analysis for the state workforce training system as a whole, and to advise the Governor and the Legislature concerning the training system. The Board is charged with developing and maintaining a ten-year state comprehensive plan for workforce training and education. Every four years, the

Board must provide the Legislature and the Governor with an update of the state comprehensive plan.

Through this Concurrent Resolution, the Legislature formally approved the Board's plan, which now becomes the state's workforce training policy unless legislation is enacted to alter the policies set forth in the plan.

The most recently updated plan, called High Skills, High Wages 2012–2022, includes the following goals and objectives:

- improving career and education guidance for students;
- increasing workplace and life skills development;
- expanding programs of study for career-focused courses;
- increasing workplace experiences;
- addressing student retention;
- prioritizing job search and placement for people in first careers;
- increasing employer engagement with the system by improving outreach;
- promoting economic development and encouraging investing in strategic economic opportunities;
- expanding learning opportunities for workers at all stages of the education and career paths;
- improving the quality and speed of job matching and referrals;
- strengthening performance accountability by focusing on employment and earnings outcomes; and
- reducing barriers to sharing or splitting funding and establishing cost-sharing practices.

Education-Related Bills That Died—Titles

Bills that die at the end of the first year of the Legislature’s biennial session are carried over and automatically reintroduced in the Legislature’s second-year session. The following list includes all education-related bills from 2014 that failed to be adopted; however, bills introduced in 2013 are only included if any action was taken on the bill during the 2014 session.

HB 1037..... Public records costs recovery	HB 2291 School district territory
HB 1173/SB 5483 Financial education	HB 2299..... Prevailing wage
HB 1298/SB 5169 ..Sunshine Committee Recommendations	HB 2313/SB 6161 Professional development
HB 1413..... Voting Rights Act	HB 2319..... Legal notice
HB 1424 Dropout prevention	HB 2358..... Professional learning
HB 1656..... Graduation requirements	HB 2377/SB 6127 Early care and education
HB 1680/SB 6529 Educational opportunity gap	HB 2383..... Career and college readiness
HB 1735/SB 5671/SB 5706..... Student transition services	HB 2392..... Property tax relief
HB 1815..... Language interpreters	HB 2396..... Running Start
HB 2094 Transportation sales tax	HB 2400..... Mentoring and service learning
HB 2118..... Student parking fees	HB 2402..... Culminating project
HB 2132..... School architectural plans	HB 2407 PERS/retiree returning to work
HB 2133..... Student educational records	HB 2410..... Kitchen Equipment Grants
HB 2158..... Dropout prevention	HB 2422/SB 6235 Initiative 732 COLAs
HB 2166..... Students in military families	HB 2431..... Military training
HB 2174/SB 6247 Parental rights	HB 2465..... Extracted fuel tax exemption
HB 2181 Graduation requirements	HB 2499/SB 6221 School siting
HB 2209..... Prevailing wage	HB 2531/SB 6152 Teacher certification
HB 2216..... Local history information	HB 2536/SB 6444 Breakfast After the Bell
HB 2217..... Community partnerships	HB 2538..... Tribal students
HB 2224..... Supplemental Capital Budget	HB 2540/SB 6044 CTE course equivalents
HB 2242/SB 6337 QEC recommendations	HB 2548..... Instructional hours
HB 2244/SB 6546 Capital Budget resources	HB 2553..... Lowest-achieving schools
HB 2252..... Fiscal impacts	HB 2554..... Urban school turnaround
HB 2268..... Federal land	HB 2583..... Charter school CEOs
HB 2270..... School construction tax	HB 2589/SB 6438 Basic education allocations
HB 2284..... Learning Improvement Days	HB 2605..... Student restraint/isolation
HB 2285..... Dual credit coursework	HB 2607/SB 6532 Teacher salaries

HB 2609/SB 6530	..... Educational employee COLAs	SB 6061	..... Academic acceleration
HB 2610	..... Homeless analysis	SB 6063	..... Education opportunity gap
HB 2619/HB 2720	..... Pay It Forward Program	SB 6064	..... Use of school days
HB 2621	..... College in the High School	SB 6067	..... Early education
HB 2643/SB 6383	..... Healthiest Next Generation	SB 6081	..... STEM facilities
HB 2655	..... Legislators salaries	SB 6082	..... Instructional hours
HB 2661	..... Teaching Institute	SB 6088	..... State Supreme Court size
HB 2677/HB 2498/SB 6461	..... Impact of deferral	SB 6092	..... Graduation requirements
HB 2686	..... Tap water	SB 6102	..... Transportation sales tax
HB 2694	..... Low-income students	SB 6104	..... Interactive gaming
HB 2697	..... Weighted GPA	SB 6105/HB 2560	..... School libraries
HB 2792	..... Basic education allocations	SB 6106	..... TPEP/Charter schools
HB 2794	..... State expenditure limit	SB 6107	..... Learning Assistance Program
HB 2795	..... Tobacco substitute tax	SB 6108	..... K-3 class size reduction
HB 2796	..... Tax preferences	SB 6112	..... Cyberbullying prevention
HB 2797	..... Kindergarten and elementary	SB 6120	..... Capital Budget resources
HB 2800	..... Student growth data	SB 6121	..... ALE funding
HJM 4004	..... Parental rights amendment	SB 6183	..... Collective bargaining
HJR 4216/HB 2441	..... Simple majority for bonds	SB 6189	..... Instructional hours
SB 5138/HB 1646	..... State debt management	SB 6209	..... Expanded learning opportunities
SB 5246	..... Student growth data	SB 6229	..... EPI pen use
SB 5826	..... Shared leave pool	SB 6230	..... Income tax
SB 5880	..... Student growth data	SB 6241	..... Compliance reports
SB 5881	..... Kids First Act	SB 6250	..... Collective bargaining
SB 5959	..... Professional learning days	SB 6266	..... Nonrenewal deadline
SB 5960	..... Student growth data	SB 6317/HB 2210	..... Prevailing wage
SB 5982	..... K-12 instructional time	SB 6332	..... Student injured
SB 5994	..... School construction tax	SB 6336/HB 2317	..... Expanded learning opportunities
SB 6020	..... Supplemental Capital Budget	SB 6338/HB 2462	..... Housing Trust Fund
SB 6023	..... Warrantless searches	SB 6340/HB 2715	..... Student transportation
SB 6055	..... Student growth data	SB 6341	..... Green buildings
SB 6056	..... OSPI requirements	SB 6365/HB 2763	..... Homeless children
SB 6059	..... Public records	SB 6373	..... Spanish/Chinese instruction

SB 6376	Sex abuse information	SB 6535	Struggling students
SB 6418	Conditional scholarships	SB 6555	Investments in education
SB 6439	Bullying in schools	SB 6559	State Need Grants
SB 6451/HB 2780	School construction funding	SB 6563	Basic education funding
SB 6466	Hiring veterans	SB 6568	Supreme Court
SB 6483	Kindergarten facilities	SB 6571	Remote seller tax
SB 6499	Local education financing	SB 6574	Education financing
SB 6519	Insurance benefit reporting	SJR 8209	Paramount Duty

Education-Related Bills That Died

HB 1037—Public records cost recovery

(Representative Moeller)

Would have allowed agencies and local governments, including school districts, to charge a fee to recover the actual cost of providing public records that are requested for commercial purposes.

HB 1173—Financial education

(Representative Santos)

and SB 5483

(Senator Honeyford)

Would have modified the duties and the composition of the Financial Education Public-Private Partnership. Would have also required OSPI to make financial education curriculum available to school districts, and would have required school districts to provide courses with this curriculum.

HB 1298—Sunshine Committee recommendations

(Representative Springer, by request of Public Records Exemptions Accountability Committee)

and SB 5169

(Senator Roach, by request of Public Records Exemptions Accountability Committee)

Would have implemented recommendations of the Public Records Exemptions Accountability Committee (or Sunshine Committee). Included was a recommendation to specifically declare applications for certain public employment (including school superintendents) are not exempt records.

HB 1413—Voting Rights Act

(Representative Moscoso)

Would have created a state-level Voting Rights Act, to promote equal voting opportunity in certain political subdivisions by authorizing district-based elections, requiring redistricting and new elections in certain circumstances, and establishing a cause of action to redress lack of voter opportunity. The bill was adopted by

the full House and by the Senate Government Operations Committee; however, two separate attempts to move the bill to the full Senate were rebuffed by the Senate Rules Committee.

HB 1424—Dropout prevention

(Representative Haigh)

Would have modified current law to: clarify definitions pertaining to the statewide dropout prevention, intervention and reengagement system; provide specific additional support for some of the highest need students; and build ongoing regional capacity to assist local schools and communities in designing and delivering services.

HB 1656—Graduation requirements

(Representative Stonier)

Would have specified 22 credits as a minimum state requirement for high school graduation and permitted increased flexibility for students to select courses based on their own interests and plans.

HB 1680—Educational opportunity gap

(Representative Santos)

and SB 6529

(Senator McCoy)

Would have adopted the six recommendations of the Educational Opportunity Gap Oversight and Accountability Committee, including: the development of data standards for student disciplinary actions; the inclusion of cultural competence into training for all school staff; and requiring Bilingual Education endorsements for teachers assigned to the Transitional Bilingual Instructional Program.

HB 1735—Student transition services

(Representative Reykdal)

SB 5671 and SB 5706

(Senator McAuliffe)

Would have directed OSPI to establish interagency agreements with the Department of Social and Health Services, the Department of Services for the Blind, and any other state agency that provides high school transition services for students with disabilities, in order to foster effective multiagency collaboration to provide transition services for students with disabilities.

HB 1815—Language interpreters

(Representative Moscoso)

Would have directed WSSDA to develop a Language Access policy that requires the use of adult language interpreters, not students, for school meetings. School districts would have been required to adopt a model policy at a minimum.

HB 2094—Transportation sales tax

(Representative Shea)

Would have dedicated state sales and use tax revenue derived from Department of Transportation expenditures to the Motor Vehicle Account, rather than the General Fund.

HB 2118—Student parking fees

(Representative Wilcox)

Would have provided school districts with explicit authority to charge a fee for student parking. Further, would have provided a sales and use tax exemption for ten years for students that are charged a fee for parking at their high school.

HB 2132—School architectural plans

(Representative Manweller)

Would have required school districts that use voter-approved levy or bond funds, or receive state matching funds for school construction or renovation, to file the architectural plans with OSPI. OSPI would have been

required to maintain the plans and make them available to school districts.

HB 2133—Student educational records

(Representative Scott)

Would have required the Joint Legislative Audit & Review Committee to analyze and determine the extent federal law permits sharing of personally identifiable student data or student-level data under agreements related to collection, sharing, storage, security, dissemination, and access to personally identifiable student data or student-level data. The analysis would have been required to be submitted to the Legislature to allow an opportunity to withdraw Washington from any multi-state assessment consortium (specifically the Smarter Balanced Assessment Consortium) that disseminates personally identifiable student data or student-level data without written consent.

HB 2158—Dropout prevention

(Representative Haigh)

Would have added dropout prevention, intervention, and reengagement services to the basic core services to be provided by ESDs and authorized ESDs that operate dropout reengagement programs under contract to grant high school credits and issue transcripts to students, with the agreement of the contracting school district.

HB 2166—Students in military families

(Representative Lytton)

Would have required OSPI to collect specific information regarding students from military families and required OSPI to report to the Legislature the average number of students from military families who are special education students statewide, by school district, and by school.

HB 2174—Parental rights

(Representative Freeman)

and SB 6247

(Senator Padden)

Would have specifically recognized that the liberty interest of a parent to make decisions regarding the upbringing, education, management, and care of his or her child is a fundamental right.

HB 2181—Graduation requirements

(Representative Lytton)

Would have authorized the implementation of the Career & College Ready graduation requirements adopted by the State Board of Education.

HB 2209—Prevailing wage

(Representative Manweller)

In an effort to improve the accuracy of the prevailing rate of wage, would have required the Department of Labor & Industries to use only data from nonpublic works in establishing the prevailing rate of wage.

HB 2216—Local history information

(Representative Zeiger)

Would have encouraged school districts to include information on local history in curriculum on Washington state history and government.

HB 2217—Community partnerships

(Representative Zeiger)

Would have changed the name of “Parent Involvement Coordinator” to “Family and Community Engagement Coordinator” and would have encouraged school districts to use these Coordinators to establish partnerships between schools and community-based organizations to expand programs using school facilities outside the regular school day or year.

HB 2224—Supplemental Capital Budget

(Representative Dunshee)

This is the House’s version of the 2014 Supplemental Capital Construction Budget. It would have increased the underlying 2013–15 Capital Budget by \$167 million.

HB 2242—QEC recommendations

(Representative Lytton)

and SB 6337

(Senator Hill)

Would have implemented a series of education reforms using recommendations from the Quality Education Council’s 2014 Report to the Legislature. Additionally, would have codified the required increase in instructional hours, as adopted in last year’s biennial budget.

HB 2244—Capital Budget resources

(Representative Stanford)

and SB 6546

(Senator Rivers)

Last year’s biennial budget temporarily diverted tax revenues from the Capital Budget (specifically the Public Works Assistance Account) to the Operating Budget. This bill would have ended this diversion earlier than originally scheduled, beginning July 1, 2015, rather than July 1, 2019.

HB 2252—Fiscal impacts

(Representative Sullivan)

Would have required the Office of Financial Management and the Washington State Institute for Public Policy to convene a work group to explore the establishment of a nonpartisan agency to conduct objective, impartial fiscal analysis on behalf of the Legislature.

HB 2268—Federal land

(Representative Taylor)

Would have required the federal government to transfer its land holdings to the state in order to ensure the state

receives the full benefit of the public lands, including the provision of resources for public schools.

HB 2270—School construction tax

(Representative Taylor)

Would have exempted school districts from paying the state portion of sales and use taxes on school construction.

HB 2284—Learning Improvement Days

(Representative Stonier, by request of Superintendent of Public Instruction)

Would have required state funding for Learning Improvement Days to ensure the successful implementation of statewide education reforms. During the 2013–2015 and 2015–2017 fiscal biennia, school districts would have been required to use Learning Improvement Day funding as specified in the Operating Budget.

HB 2285—Dual credit coursework

(Representative Orwall)

Would have required the Washington Student Achievement Council to: review higher education institution policies related to providing students college credit for dual credit courses, including AP, IB, and the Cambridge Program; and make recommendations to the Legislature regarding the steps that should be taken to improve the practices of these institutions.

HB 2291—School district territory

(Representative Pike)

Would have altered the current process for the transfer of school district territory. In addition to being initiated through citizen petition, changes in school district boundaries would have only been allowed to be initiated through a written agreement signed by a majority of the school board members of each of the affected school districts, rather than by a petition signed by a majority of school board members in one of the districts.

HB 2299—Prevailing wage

(Representative Pike)

Would have allowed local governments, including school districts, to opt out of prevailing wage requirements on projects of less than \$5 million.

HB 2313—Professional development

(Representative Bergquist)

and SB 6161

(Senator Rolfes)

Would have required state funding to support at least two professional development days per year for all state-funded certificated instructional staff, state-funded certificated building-level administrators, and state-funded classified teaching or instructional assistants.

HB 2319—Legal notices

(Representative Magendanz)

Would have allowed school districts to publish certain legal notices using public websites maintained by school districts as an alternative to publishing notice in newspapers.

HB 2358—Professional learning

(Representative Lytton)

Would have defined professional learning as a comprehensive, sustained, and intensive approach to improving teachers' and principals' effectiveness in raising student achievement.

HB 2377—Early care and education

(Representative Hunter)

and SB 6127

(Senator Litzow)

Would have comprehensively overhauled the state's early child care and education system, with the intent of substantially improving the quality of early learning. The bill would have used a mix of incentives and requirements to increase child care quality by getting more facilities to provide high-quality child care.

HB 2383—Career and college readiness

(Representative Reykdal)

Would have integrated career and college readiness standards into K–12 and higher education policies and practices.

HB 2392—Property tax relief

(Representative Overstreet)

Would have reduced the state property tax levy, for collection in 2015 through 2039, by \$350 million each calendar year from the amount that would otherwise be allowed under law.

HB 2396—Running Start

(Representative Orwall)

Would have required the Washington Student Achievement Council to conduct an analysis of Running Start, addressing barriers for students to participate in the program.

HB 2400—Mentoring & service learning

(Representative Walkinshaw)

Would have directed Western Washington University to host a statewide consortium of public and private institutions of higher education and develop and administer a state campus compact with the purpose of providing and increasing the number of campus-based mentoring and service-learning opportunities in K–12 education and at eligible institutions of higher education.

HB 2402—Culminating project

(Representative Overstreet)

Would have removed the culminating project as a state graduation requirement. While this bill failed to pass, similar language was included in E2SSB 6552, which makes the requirement for a culminating project a local decision beginning with the class of 2015.

HB 2410—Kitchen equipment grants

(Representative Riccelli)

Would have established the “Apple a Day” program as a competitive kitchen equipment assistance grant program to enhance student nutrition in public schools.

HB 2422—Initiative 732 COLAs

(Representative Dunshee)

and SB 6235

(Senator Hobbs)

Would have restored the Initiative 732 cost-of-living adjustment for educators, beginning in the 2014–15 school year.

HB 2431—Military training

(Representative Haler)

Would have recognized military training for purposes of the state salary schedule for certificated instructional staff.

HB 2465—Extracted fuel tax exemption

(Representative Carlyle)

Would have narrowed the application of the current extracted fuel tax exemption. The resulting revenues would have been dedicated to education.

HB 2499—School siting

(Representative Wilcox)

and SB 6221

(Senator Conway)

Would have allowed schools in Pierce County to be sited outside of designated urban growth areas under the Growth Management Act when specific conditions are met.

HB 2531—Teacher certification

(Representative Pollet, by request of Professional Educator Standards Board)

and SB 6152

(Senator Litzow, by request of Professional Educator Standards Board)

Would have changed explicit alternative routes to teacher certification program requirements to expectations for program outcomes and would have directed the Professional Educator Standards Board to establish policies, and provide oversight and accountability.

HB 2536—Breakfast After the Bell

(Representative Hudgins)

and SB 6444

(Senator Litzow)

Would have phased in over a four-year period a requirement for high needs schools to offer school breakfast after the beginning of the school day, called Breakfast After the Bell. Time spent during Breakfast After the Bell would have counted towards minimum instructional hours as long as educational activities were provided concurrently with breakfast.

HB 2538—Tribal students

(Representative Appleton)

Would have prohibited WIAA from enforcing current interscholastic activities eligibility rules regarding transfers for any student who was a member of a federally recognized tribe.

HB 2540—CTE course equivalencies

(Representative Stonier, by request of Governor Inslee)

and SB 6044

(Senator Litzow, by request of Governor Inslee)

Would have directed OSPI to develop curriculum frameworks for a selected list of Career and Technical Education (CTE) courses whose content is considered equivalent to science or mathematics courses that meet high school graduation requirements. School districts would have been required to provide students with the opportunity to access at least one CTE course from the list.

While this bill failed to pass, similar language was adopted in E2SSB 6552 and funding is provided to OSPI in the Supplemental Budget to develop math and science equivalency curriculum and model course modules.

HB 2548—Instructional hours

(Representative Bergquist, by request of Superintendent of Public Instruction)

and SB 6320

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

Would have delayed last session's requirement to increase instructional hours until the 2015–16 school year. Additionally, would have allowed hours scheduled for noninstructional purposes at the end of the school year for graduating seniors as authorized under current law to be counted as instructional hours.

HB 2553—Lowest-achieving schools

(Representative Pettigrew)

Would have awarded grants to persistently lowest-achieving schools to support implementation of successful models of family and community engagement.

HB 2554—Urban school turnaround

(Representative Pettigrew)

Would have expanded the number of recipients of the current Urban School Turnaround Initiative Grant by a maximum of four schools in two urban districts.

HB 2583—Charter school CEOs

(Representative Dahlquist)

Would have added charter school chief executive officers to the list of individuals who may file complaints of unprofessional conduct on the part of a certificated employee.

HB 2589—Basic education allocations

(Representative Goodman)

and SB 6438

(Senator Keiser)

Would have placed reduced class size values and increased staffing allocations, as recommended by the Quality Education Council, in the statutory prototypical school funding formula.

HB 2605—Student restraint/isolation

(Representative Stonier)

Would have repealed the current requirement that a school district's policy and procedures on the use of restraint or isolation be provided to parents when an Individualized Education Program or Section 504 Plan is developed. Instead, school districts would have been required to make the policy and procedure available to parents and guardians on the school district website or in written form.

HB 2607—Teacher salaries

(Representative Reykdal)

and SB 6532

(Senator Rolfes)

Would have established a minimum salary allocation for certificated instructional staff of \$52,074, beginning in School Year 2014–15. In subsequent years, the minimum salary allocation would have been adjusted by increases in the Seattle CPI.

HB 2609—Educational employee COLAs

(Representative S. Hunt)

and SB 6530

(Senator Chase)

Would have restored the Initiative 732 cost-of-living adjustment for educators, beginning in School Year 2014–2015. Also would have required additional funding to increase base salaries by the amount educational employees were scheduled to receive while I-732 was frozen the last six years.

HB 2610—Homeless analysis

(Representative Fey)

Would have directed the Washington State Institute for Public Policy to conduct an analysis to identify characteristics of the homeless youth population ages birth to 10 years of age.

HB 2619—Pay it Forward Program

(Representative Bergquist)

and HB 2720

(Representative Seaquist)

Would have created the Pay It Forward Program with the purpose of increasing access to higher education. Students that received grants toward tuition would have had to agree to make contributions to the program based on income and their ability to afford contributions.

HB 2621—College in the High School

(Representative Johnson)

Would have expanded the College in the High School program by adding 10th grade students to the list of students who are eligible for the program. Additionally, 9th graders would have been added to the list of students who must be provided general information about the program.

HB 2643—Healthiest Next Generation

(Representative Farrell, by request of Governor Inslee)

and SB 6383

(Senator Becker, by request of Governor Inslee)

Would have established the Governor's Council for the Healthiest Next Generation to identify policy-related action plans and funding recommendations that protect children's health.

HB 2655—Legislator salaries

(Representative Seaquist)

Would have made legislator salaries equal to the average starting salary for an elementary school science teacher.

HB 2661—Teaching Institute

(Representative Seaquist)

Would have created the Washington Research Institute for Teaching Excellence (WRITE) to conduct research on teaching to inform policy decisions related to teaching and to improve the practice of teaching in K–12 and higher education, including teacher preparation.

HB 2677—Impact fees deferral

(Representative Springer)

HB 2498

(Representative Liias)

and SB 6461

(Senator Dansel)

Would have obligated counties, cities, and towns to adopt deferral systems for the collection of impact fees from applicants for residential building permits through a covenant-based process, or through a process that delays payment until final inspection, certificate of occupancy, or equivalent certification.

HB 2686—Tap water

(Representative Pettigrew)

Would have required public schools to provide tap water to students during school lunches in an effort to replace high sugar beverages.

HB 2694—Low-income students

(Representative Hansen)

Would have required the Washington Student Achievement Council to design and implement an informational program to increase applications from high-achieving low-income students to institutions of higher education.

HB 2697—Weighted GPA

(Representative Ortiz-Self)

Would have directed OSPI to develop a common method for assigning additional weight to Advanced Placement and International Baccalaureate courses on the standardized high school transcript. Also would have required school districts to use the common method beginning in 2014–15 for purposes of calculating a student’s grade point average.

HB 2792—Basic education allocations

(Representative Sullivan)

In an effort to comply with the Supreme Court’s January 9, 2014, *McCleary* Order, this bill would have codified the state’s phased-in funding plan adopted by the Joint Task

Force on Education Funding and implemented increased allocations to school districts for Maintenance, Supplies, and Operating Costs; all-day kindergarten; class size reduction in kindergarten through third grade; teacher/staff salaries; the 24-credit diploma; and pupil transportation.

HB 2794—State expenditure limit

(Representative Hunter)

Would have required the Expenditure Limit Committee to increase the state expenditure limit to reflect the cost of funding enhancements to the prototypical school funding formula.

HB 2795—Tobacco substitute tax

(Representative Carlyle)

Would have imposed a tax on tobacco substitutes (including e-cigarettes) and dedicated the resulting tax revenues to education.

HB 2796—Tax preferences

(Representative Carlyle)

Would have narrowed or eliminated a series of tax preferences with the purpose of investing proceeds in education.

HB 2797—School facilities funding

(Representative Dunshee)

Would have authorized the sale of \$700 million in revenue bonds backed by lottery revenues to address all-day kindergarten and K–3 class size reduction facility needs. The bill was intended to directly address the Supreme Court’s January 9, 2014, *McCleary* Order, in which the Court noted that “enhanced funding for full-day kindergarten and class-size reduction is essential, but the state must account for the actual cost to schools of providing these components of basic education.”

HB 2800—Student growth data

(Representative Sullivan)

Would have: changed current law to require the use of student results on relevant assessments as one of the multiple measures of student growth in teacher and principal evaluations; delayed implementation until the 2017–18 school year; and made the continuation of this law contingent on federal approval of a waiver of No Child Left Behind for Washington.

HJM 4004—Parental rights amendment

(Representative Shea)

This Memorial would have requested Congress to support the proposed parental rights amendment to the constitution and send it to the states for ratification. The amendment clarifies the fundamental right of parents to direct the upbringing and education of their children is protected by the constitution.

HJR 4216—Simple majority for bonds

(Representative Haigh)

and HB 2441

(Representative Haigh)

This constitutional amendment (and its implementing bill) would have permitted the passage of local school district bond issues with simple majority approval of voters.

SB 5138—State debt management

(Senator Parlette, by request of State Treasurer)

and HB 1646

(Representative Stanford, by request of State Treasurer)

Would have created a State Debt Council to make recommendations on state debt, including prudent levels and types of debt in order to protect the state's credit rating, maintain access to the credit markets and to reserve future flexibility.

SB 5246—Student growth data

(Senator Litzow)

Would have changed current law to require the use of student results on relevant assessments as one of the multiple measures of student growth in teacher and principal evaluations. Additionally, would have: required student growth data be weighted such that it consists of fifty percent of the cumulative performance of certificated classroom teachers for at least three of teachers' evaluation criteria; and specified that, when making human resource and personnel decisions, seniority must not be weighted at more than ten percent after other factors are considered.

SB 5826—Shared leave pool

(Senator Conway)

Would have allowed employees of school districts and ESDs to participate in the uniformed service shared leave pool, which allows employees to donate leave to be used as shared leave for any employee who has been called to military service.

SB 5880—Student growth data

(Senator Hill)

Would have changed current law to require the use of student results on relevant assessments as one of the multiple measures of student growth in teacher and principal evaluations.

SB 5881—Kids First Act

(Senator Hill)

Would have required, from July 1, 2015 through June 30, 2025, two-thirds of new revenue to be expended on education programs (early learning, K–12, and higher education). Final approval would have been subject to a vote of the people.

SB 5959—Professional learning days

(Senator McAuliffe)

Beginning in the 2014–15 school year, would have required state funding to be provided for high-quality,

content-specific professional learning days for each state-funded certificated instructional staff and school building-based administrator to increase knowledge and skills in the areas of current and future educational reforms. Would have stated the Legislature's intent that resources be phased in allowing for professional learning days for state-funded classified employee who are engaged in student instruction.

SB 5960—Student growth data

(Senator McAuliffe)

Would have changed current law to require the use of student results on relevant assessments as one of the multiple measures of student growth in teacher and principal evaluations.

SB 5982—K–12 instructional time

(Senator Ericksen)

Would have limited the number of late start and early release days to no more than seven occurrences during the minimum required 180-day school calendar, except for unforeseen events.

SB 5994—School construction tax

(Senator Ericksen)

Would have exempted from sales and use tax the purchase, or the portion of purchases, for construction, maintenance, or improvement of facilities owned by public school districts or public charter schools.

SB 6020—Supplemental Capital Budget

(Senator Honeyford)

This is the Senate's version of the 2014 Supplemental Capital Construction Budget. It would have increased the underlying 2013–15 Capital Budget by \$121 million.

SB 6023—Warrantless searches

(Senator O'Ban)

Would have added school resource officers and local police school liaison officers as persons who may search students

and student's possessions, containers, and lockers if they have reasonable grounds to suspect evidence of a violation of school rules or laws.

SB 6055—Student growth data

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

Would have: changed current law to require the use of student results on relevant assessments as one of the multiple measures of student growth in teacher and principal evaluations; and delayed the use of the evaluation results in making human resources and personnel decisions until the 2016–17 school year.

SB 6056—OSPI requirements

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

Would have changed the due dates for: the annual OSPI dual credit report from September 1 to December 15; and OSPI's annual identification of challenged schools in need of improvement from December 1 to February 1.

SB 6059—Public records

(Senator Brown)

Would have allowed state agencies and local governments, including school districts, to impose a reasonable charge for the use of agency equipment to scan public records requested under the Public Records Act.

SB 6061—Academic acceleration

(Senator Litzow)

Would have required all school districts to adopt a high school academic acceleration policy by September 1, 2014.

SB 6063—Education opportunity gap

(Senator Litzow)

Would have required all school district collective bargaining agreements to specifically address actions to be taken in accordance with the agreement to close and eliminate the opportunity gap.

SB 6064—Use of school days

(Senator Litzow)

Would have required the Washington State Institute for Public Policy to conduct an analysis of how school districts use school days and provide an initial report to the Legislature by December 1, 2014 and a final report by December 1, 2015.

SB 6067—Early education

(Senator Billig)

Would have required the Department of Early Learning to adopt a single set of licensing standards for child care and the Early Childhood Education and Assistance Program.

SB 6081—STEM facilities

(Senator Dammeier)

Would have established a competitive grant program to develop and improve specialized Science, Technology, Engineering, and Mathematics (STEM) facilities for public school districts and public charter schools. Grants would have covered 100 percent of project costs, including design, construction, project management, equipment and fixtures, and necessary information systems upgrades.

SB 6082—Instructional hours

(Senator McCoy)

Would have clarified that the minimum instructional hour offering is comprised of instructional hours that include teacher collaboration time. Further, until the 2017–18 school year, the State Board of Education would have been prohibited from penalizing a school district for not fully implementing the increase in the minimum instructional hour offering (as required by last year’s biennial budget) so long as the school district is making progress each biennium.

SB 6092—Graduation requirements

(Senator Litzow)

Would have directed the State Board of Education to include in the high school graduation requirements

the opportunity for students to complete 24 credits for graduation beginning with the graduating class of 2018.

SB 6102—Transportation sales tax

(Senator King)

Would have diverted state sales tax paid on state highway projects from the General Fund to a new Connecting Washington Account, which would have been used to fund future transportation projects.

SB 6104—Interactive gaming

(Senator McAuliffe)

Would have created the Interactive Gaming in Schools Public-Private Partnership. The Partnership would have been required to consider how interactive games and advances in technology may be integrated into Washington’s education system, with a focus on improving student engagement and achievement.

SB 6105—School libraries

(Senator McAuliffe)

and HB 2560

(Representative Stonier)

Would have: changed the name of the School Library Media Program to the School Library Information and Technology Program; and required school boards to provide the resources and materials necessary for the proper education of students.

SB 6106—TPEP/Charter schools

(Senator McAuliffe)

Would have required charter schools to implement the same four-level evaluation systems for classroom teachers and principals as other public schools.

SB 6107—Learning Assistance Program

(Senator McAuliffe)

Would have allowed individual school districts to determine the first priority use of Learning Assistance Program funds—either addressing the needs of students in grades

kindergarten through four who are deficient in reading or reading readiness skills to improve reading literacy, as is currently required, or the needs of students who need remediation to pass the statewide assessments required for high school graduation.

SB 6108—K–3 class size reduction

(Senator McAuliffe)

Would have adopted a linear phase-in of K–3 class size reduction to seventeen students by 2018. Would have also stated the Legislature’s intent to provide additional nonbasic education funds to assist with capital construction costs for school districts that have facility capacity limitations.

SB 6112—Cyberbullying prevention

(Senator McAuliffe)

Would have required WSSDA to update its model policy prohibiting acts of harassment, intimidation, or bullying to include acts that are conducted via electronic means. WSSDA also would have been required to identify strategies for students to prevent cyberbullying.

SB 6120—Capital Budget resources

(Senator Hobbs)

Last year’s biennial budget temporarily diverted tax revenues from the Capital Budget (specifically the Public Works Assistance Account) to the Operating Budget. This bill would have ended this diversion earlier than originally scheduled, beginning July 1, 2017, rather than July 1, 2019.

SB 6121—ALE funding

(Senator Dammeier)

Would have altered the calculation and allocation of appropriations for Alternative Learning Experience (ALE) courses. Funding for ALE Career and Technical Education (CTE) courses would have been determined by the statewide CTE allocation rate for grades 9–12, allocated on a student full-time equivalent basis.

SB 6183—Collective bargaining

(Senator Braun)

Would have made public employee collective bargaining sessions subject to the Open Public Meetings Act.

SB 6189—Instructional hours

(Senator Hargrove)

Would have delayed last session’s requirement to increase instructional hours until the 2016–17 school year.

SB 6209—Expanded learning opportunities

(Senator Dammeier)

Would have established an Expanded Learning Opportunity Council to provide a vision and guidance to support an expanded learning opportunity system. The Council would have been required to: identify fiscal, resource, and partnership opportunities; coordinate policy development; set quality standards; and develop a comprehensive expanded learning opportunity action plan.

While this bill failed to pass, much of the bill was melded into 2SSB 6163, which was adopted.

SB 6229—EPI pen use

(Senator Mullet)

Would have provided a person who used an epinephrine autoinjector during an emergency with immunity from civil liability for any personal injury that resulted from any act or omission in the use of the autoinjector.

SB 6230—Income tax

(Senator McAuliffe)

Would have sent a referendum to Washington’s voters, seeking approval of the imposition of a new income tax, coupled with a reduction in the state sales tax rate. The resultant revenues would have been dedicated to education.

SB 6241—Compliance reports

(Senator King)

Would have required the Joint Legislative Audit and Review Committee to review all annual compliance reports required of school districts and recommend to the Legislature which reports should be: (1) discontinued; (2) integrated into OSPI's database; or (3) maintained in their current form.

SB 6250—Collective bargaining

(Senator Dammeier)

Would have required all collective bargaining agreements, including school district CBAs, to be submitted electronically to the Public Employment Relations Commission. The Commission would have been required to maintain a website that allows the public to view and download the collective bargaining agreements submitted.

SB 6266—Nonrenewal deadline

(Senator Billig)

Would have changed the current May 15 nonrenewal notice deadline to May 15 or thirty days after the Legislature has passed an Operating Budget, whichever is later.

SB 6317—Prevailing wage

(Senator Angel)

and HB 2210

(Representative Manweller)

In an effort to improve the accuracy of the prevailing rate of wage, would have required the Department of Labor & Industries to use a stratified random sampling methodology to establish the prevailing rate of wage.

SB 6332—Student injuries

(Senator Kohl-Welles)

Would have required school districts to notify parents or guardians if their child was injured on school property. WSSDA also would have been required to provide a model policy and procedure for districts to review in adopting their own required policy.

SB 6336—Expanded learning opportunities

(Senator Dammeier)

and HB 2317

(Representative Haigh)

Would have established a Summer Expanded Learning Opportunity Grant Program for schools and community-based organizations to deliver enrichment programs to prevent summer learning loss.

While this bill failed to pass, similar concepts were melded into SB 6163, which was adopted.

SB 6338—Housing Trust Fund

(Senator Dammeier)

and HB 2462

(Representative Zeiger)

Would have added a preference to the criteria for Housing Trust Fund applications for projects involving partnerships between local school districts and housing authorities to help children of low-income families succeed in school.

SB 6340—Pupil transportation

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

and HB 2715

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

Would have aligned the statutory pupil transportation funding formula to reflect the full funding and implementation of the system, effective September 1, 2014.

SB 6341—Green buildings

(Senator Hargrove)

Would have replaced the current LEED Silver standard in green buildings, including in school districts, with the LEED plus W standard to maximize sustainability and environmental performance of public facilities.

SB 6365—Homeless children

(Senator Frockt)

and HB 2763

(Representative Kagi)

Would have created a two-year pilot program in the Department of Commerce to provide homeless children and their families with housing support in the homeless student's school district.

SB 6373—Spanish/Chinese instruction

(Senator Roach)

Would have created a Spanish and Chinese language instruction pilot program in two school districts.

SB 6376—Sex abuse information

(Senator McAuliffe)

Would have required the inclusion of information on preventing sexual abuse and violence in sexual health education courses.

SB 6418—Conditional scholarships

(Senator Litzow)

Would have renamed and expanded a conditional scholarship program for teachers seeking endorsements in mathematics and science to include support for teachers seeking an endorsement in special education, bilingual education, or English Language Learner.

SB 6439—Bullying in schools

(Senator Liias)

Would have expanded the definition of harassment, intimidation, or bullying of a student to include acts that emotionally harm a student. Also would have required ESDs to develop and offer a required training course for the school districts' primary contacts on HIB policies. Further, would have required WSSDA to update its HIB model policy to include cyberbullying and would have required school districts to update their policies.

SB 6451—School construction funding

(Senator Pedersen)

and HB 2780

(Representative Pollet)

Would have made changes to the formula components of the School Construction Assistance Program (SCAP) and created a new account to support statewide implementation of full-day kindergarten and early elementary class size reduction in high growth school districts. Additionally, OSPI would have been required to set the minimum state funding assistance percentage provided to projects eligible under SCAP at 30 percent, rather than 20 percent.

SB 6466—Hiring Veterans

(Senator Rivers)

Would have required a preference to be given to veterans when hiring someone to provide school district security activities.

SB 6483—Kindergarten facilities

(Senator Keiser)

Would have created a competitive grant program to provide additional classroom space to support the implementation of all-day kindergarten.

SB 6499—Local education financing

(Senator Dammeier)

Would have created a Joint Task Force on Local Education Financing Reform to review the use of, and equity issues related to, local levies.

SB 6519—Insurance benefit reporting

(Senator Litzow)

Would have required the Office of the Insurance Commissioner to share all data, information, and documents collected for its required K–12 Health Benefits Study with the Health Care Authority (HCA).

SB 6535—Struggling students

(Senator Roach)

Would have required the Legislature to provide funding to community-based programs designed to deliver evidence-based supports to struggling students who are at risk of chronic absenteeism and low literacy rates, and who may ultimately drop out of school.

SB 6555—Investments in education

(Senator Litzow)

Would have directed the Washington State Institute of Public Policy to conduct an ongoing systematic review of investments in education, with the initial analysis focused on basic education funding enhancements provided in the 2013–15 budget.

SB 6559—State Need Grants

(Senator Baumgartner)

In response to the “Real Hope Act” (SB 6523), this bill would have established a priority for awarding State Need Grants to legally present resident students.

SB 6563—Basic education funding

(Senator Baumgartner)

Would have redefined basic education to include early education and higher education. The bill would have: expanded eligibility for early learning programs; continued class-size reductions in kindergarten and grade one (only); and provided an increased opportunity for all qualified students to be able to financially afford higher education.

SB 6568—Supreme Court

(Senator Baumgartner)

In an effort to ridicule the Supreme Court’s January 9, 2014, *McCleary* Order, this (unconstitutional) bill would have: ordered the Supreme Court to increase the number of cases it decides by fifty percent by the 2017–2018 court calendar; and demanded the Supreme Court to “draw upon its purported budgetary expertise” and provide a report by

April 30, 2014, as to how it plans to fully implement this order and provide a timetable for funding its plan.

SB 6571—Remote seller tax

(Senator Hill)

If either the United States Congress or the courts grant individual states the authority to impose sales and use tax collection duties on remote sellers, this bill would have required the Department of Revenue to annually estimate the anticipated net increase in state sales tax revenues resulting from remote sellers collecting and remitting sales tax on sales in this state. The estimated revenues would have been required to be transferred from the state’s General Fund to the Education Legacy Trust Account for the support of education.

SB 6574—Education financing

(Senator McAuliffe)

In an effort to comply with the Supreme Court’s January 9, 2014, *McCleary* Order, this bill would have: (1) Provided a phase-in plan for HB 2776 components, including the 24-credit graduation requirement and salary increases; (2) Provided immediate basic education enhancements; and (3) Closed a series of tax loopholes as a funding source for education enhancements.

SJR 8209—Paramount Duty

(Senator Baumgartner)

This proposed constitutional amendment would have made funding public institutions of higher education the second highest duty of the state.

Pensions/Health Benefits and Other Matters

Fred Yancey/Scott Nelson – The Nexus Group

Introduction

The 2014 Special Session made no significant changes to either health or pension benefits. However, there were bills that were carried over from the 2013 Session and newly introduced bills and topics that, although they failed to pass, indicate concerns for the future. The broad areas emphasized were: **pensions, health benefits, employee leave policies, and minimum wage**. More information on specific bills is given below.

Clearly, after the dust had settled, the 2014 Session was one of posturing and promoting issues that would aid in the upcoming election campaigns. For Republicans, it was pension reform and helping businesses succeed. For Democrats, it was a focus on workers with efforts to increase the state's current minimum wage and mandate the provision of time off for illness or other reasons. Very few pieces of legislation passed that met the wishes of the parties, but campaign talking points were clearly made.

These concerns will carry over into the 2015 Session. The Senate Republicans are very likely to push for changing the current pension plans into defined contribution/401K style plans. Given the budget constraints with *McCleary* funding in play, the current health care subsidy for school retirees will also be under attack. The Democrats will continue to focus on improving minimum wage and various paid leaves of absence.

Insurance Benefit Costs

No change was made to the allocations to school districts for employee insurance benefits from the current \$768/month.

The remittance payment that districts have to send to the Health Care Authority beginning September 2014 to cover the cost of subsidies for retired school employees was reduced from \$70.39 to \$66.64. This will save districts a few dollars in health benefit costs.

The retiree health insurance subsidy for Medicare eligible retirees remains at \$150/month.

Pension Contribution Rates

No change was made in pension contribution rates established by the 2013 biennial budget. That budget increased the rates to meet the scheduled payment on the unfunded liability of TRS and PERS Plan 1.

Contribution rates as recommended by the State Actuary through the Pension Funding Council and adopted by the 2013 Legislature are:

Employer Cost

Plan	Rate	Plan 2 Member
TRS	10.39%	4.96%
SERS	9.82%	4.64%
PERS	7.21%	

Note regarding future rates: HB 2018 Regarding additional contribution rates for employers of the Washington State Retirement System was passed by the House but died in the Senate. This bill is important. Although technical in nature, it attempted to address a recent court decision in King County that held that defense attorneys under contract to King County are covered by the state retirement system. Since King County had made no payments into the state retirement system to cover these employees, they were found to owe the Department of Retirement System \$19+ million dollars. According to DRS, the lost investment earnings wouldn't be paid by anyone. That would mean the system would cover those costs, which are significant enough to cause future rate increases for members and employers in PERS. This bill, if passed, would have prevented future losses falling on present DRS members from occurring.

Pensions: The Supreme Court

The Washington Supreme Court heard oral arguments on October 24 on two lawsuits related to changes in the state's pension systems.

One case centered on a law affecting members in Plans 2 and 3. It provided early retirement and other benefits as a replacement for gain sharing benefits, which were repealed. The other case involves the Legislature's discontinuation of annual benefit increases for retirees in two of the state's older pension plans, Plan 1.

Both the gain sharing and annual increase cases involve similar legal issues. The Supreme Court had decided to accept direct review of both lawsuits and heard them as companion cases.

As of this date, the Supreme Court has not issued its rulings on the cases.

CAUTION

As the Washington Supreme Court deliberates on the upcoming ruling(s) on these cases, it is important to be aware of a potential negative effect on one's pension depending on the outcome of the case

This is of particular interest to pension system members who may be considering early retirement under the law that is currently before the Court. The law allows members of PERS, TRS and SERS Plan 2 and Plan 3 with at least 30 years of service to retire at age 62 (instead of 65) with no actuarial reduction in their benefit. It also allows those members to retire before age 62 with less of a benefit reduction than had previously been provided.

These provisions, known as the 2008 early retirement factors, are tied to a law which repealed gain sharing benefits in 2008. Under the law, the early retirement factors—which were approved as replacement benefits for gain sharing—will terminate if gain sharing or alternate benefits are reinstated by the courts.

The law also says the early retirement factors will continue to be available until there is "legal certainty" in litigation over the gain sharing repeal.

The Department of Retirement Systems believes there will be no legal certainty in the gain sharing litigation at least until the end of the Washington state legal proceedings in the case. While it is not possible to predict when the Supreme Court will issue an opinion in the gain sharing litigation, there is a 20-day period following the issuance of an opinion in which the parties can ask the Court to reconsider its ruling.

If there is no request for reconsideration, or once the Court rules on reconsideration, the Court issues its 'mandate,' which makes the decision final. The earliest a mandate can be issued is 20 days after the Court issues its opinion. Therefore, it appears that the earliest there could be legal certainty is 20 days following the issuance of an opinion.

If a member has not received his or her first benefit payment under the 2008 early retirement factors at the time legal certainty is reached, the early retirement factors will not be available to the applicant. This includes those who have applied for retirement and separated from employment, but have not yet received the first installment of their retirement allowance. Those who have retired and received at least one installment prior to legal certainty would not be affected.

Members who plan to retire under the 2008 early retirement factors should be mindful of the processing and payment timeline for retirement applications. Retirements are effective on the first of the month following the month in which the member separated from employment, with the first benefit paid at the end of that month. For example, if a person works any hours in October, the earliest he or she could retire would be November 1, and the first payment would be at the end of November.

Pension-Related Bills That Passed

SB 6321—Contribution rate

(Senator Bailey)

C95 L14

Removes the statutory provision that allows members of Plan 2 to select a new contribution rate option each year.

If you're a TRS Plan 3 member, you have had the opportunity in January to change your contribution rate. The Internal Revenue Service has provisionally qualified the state of Washington's TRS Plan 3 with an important condition—that the annual rate change option be removed which the Legislature did.

TRS Plan 3 members will now have the option to change their contribution rates in January of 2015. After that, TRS Plan 3 members would only be able to change their rate again when they change employers.

SB 6328— Deferred compensation

(Senator Roach)

C132 L14

An act relating to deferred compensation plans would now allow the choice of individual securities as one of the investment options for those participating in the State's deferred compensation program.

Pension-Related Bills That Died

SB 5851—Optional 401K pension plan

(Senator Bailey)

Creating an optional 401K pension plan for new public employees. This bill was introduced in the 2013 Session by Senator Bailey (Oak Harbor) and passed by the Senate. The House held a hearing, but took no further action. It was re-introduced during the 2014 Session and was removed from Rules and placed on the Senate floor calendar for possible action. It sat there throughout the Session with no further movement.

SB 5856— Mandatory 401K pension plan

(Senator Tom)

Creating a mandatory 401K pension plan for present and future public employees. This bill was introduced in the 2013 Session and did not advance beyond a public hearing in the Senate. There was no action during the 2014 Session.

SB 6305—Defined contribution retirement option

(Senator Braun)

Creating a defined contribution retirement option for elected officials. This bill was introduced by Senator Braun (Chehalis) with the reason that legislators/elected officials should set the example for moving away from defined benefit pensions into 401K/defined contribution plans.

Health Benefits-Related Bills That Passed

Although no bills passed this Session concerning health benefits for active K–12 employee, (See rate information above), it's important to remember that in the 2012 Session, ESSB 5940, passed into law. One of that bill's mandates is for the Health Care Authority to submit a report to the Legislature outlining the advantages and disadvantages of moving to a consolidated purchasing of K–12 health benefits. This report is due June 1, 2015.

The Supplemental Budget that was adopted continues funding of this study. The budget also continues funding of a study by the Joint Legislative Audit and Review Committee due December 2014. Their task is to analyze the impacts of using the Washington health benefit exchange as a mechanism for providing health insurance for part-time K–12 employees.

Health Benefits-Related Bills That Died

SB 6519—Reporting benefits

(Senator Litzow)

Concerning public school employees' benefits reporting. This bill was meant to address the sharing of information between the Health Care Authority, (HCA), and the Office of the Insurance Commissioner, (OIC) to help them in doing the study mentioned above. Although it did not pass, both the HCA and OIC have made assurances they can still proceed with the information they are still gathering.

Employee Leave Policy Bills That Passed

SB 5173—Absences

(Senator Hasegawa)

C168 L14

Work and school absences for reasons of faith or conscience. This bill allows employees and students to request up to two unpaid absences a year for reasons of faith or conscience. Student absences would be automatically excused.

Employee Leave Policy Bills That Died

Although the majority of bills dealing with mandating that employers provide various leaves, an important provision contained in each of the bills reads: “The requirements of this chapter do not apply to any employees covered by a bona fide collective bargaining agreement to the extent that the requirements are expressly waived in the collective bargaining agreement in clear and unambiguous terms. Any waiver by an employee of any requirements of this chapter is contrary to public policy and is void and unenforceable.” Employers must provide notice of this requirement to employee and employee groups.

WASA either signed in “Con” against these proposals, or testified with concerns. One concern is that the provision cited above would likely result in a bargaining stance where although an employee group may waive the leave requirement, they are likely to ask for something in return. In effect, this provision allows for a bargaining advantage for employees.

The other concern is one of cost. See remarks on HB 2608 below.

HB 1313—Sick and safe leave

(Representative Jenkins)

Establishing minimum standards for sick and safe leave from employment. Any employee who worked 240+ hours a week would be allowed to accrue sick and safe leave. This bill passed the House, but died in the Senate.

HB 2238—Paid vacation leave

(Representative Tarleton)

Addressing paid vacation leave. The fiscal note showed that costs for school districts were indeterminate. It was unknown how many, if any, collective bargaining contracts addressed this area. The cost for other agencies was estimated to be \$3.7 million dollars a year rising to \$17.6 million in 2015–2017.

SB 5275—Training wage

(Senator Holmquist Newbry)

Allowing employers to pay a training wage for a specified period of time. The bill was voted out of committee but failed to make it out of the Senate. This bill would have allowed employers to pay 75% of the State’s minimum wage of \$9.32/hr for the first 680 hours of employment.

Minimum Wage Bills That Died

HB 2032—Income sufficient

(Representative Green)

Achieving economic security through income sufficient to meet basic needs. This bill would have established an automatic wage adjustment in the state’s minimum wage based on inflation. It received no hearings in either house, but is an example of the Democratic intent regarding minimum wage.

HB 2608—Minimum wage

(Representative Sells)

Establishing the minimum wage for classified school employees. This bill would have set a \$15 per hour minimum wage for all classified school employees. The fiscal note showed that if implemented and not waived by a bargaining group, the projected cost to the state would exceed \$52 million dollars with a projected cost to school districts of \$26 million/year.

HB 2672—Minimum wage

(Representative Farrell)

Increasing the minimum hourly wage to \$12 over three years. Costs were projected to be in excess of \$1.4 million dollars in three years.

SB 6495—Teen training wage

(Senator Holmquist Newbry)

Establishing a temporary teen training wage. This bill would have allowed employers/school districts to pay 85% of the state's minimum wage to new hires between the ages of 16–19. This bill could have affected student-workers.

Alliance of Educational Associations

Mitch Denning, Ed.D., AEA Consultant

AEA is an affiliate of WASA

Alliance of Educational Associations, comprised of Washington School Business Officials (WASBO), Washington Association of Maintenance and Operation Administrators, and Washington School Nutrition Association, felt fairly positive about the Legislature's response to our 2014 priorities.

Prior to the session's beginning in January, the Legislature was asked by OSPI superintendent, the Governor and the Washington State Supreme Court to make a substantial payment of funding basic education, due to the Court's 2018 deadline. Their response was to fund about \$64 million (41%) of the \$155 million increase in the 2014–15 Supplemental Budget to K–12, of which \$58 million went to Maintenance, Supplies, and Operating Costs. Though this amount was appreciated, it still leaves a significant challenge to meet the *McCleary* full funding requirement by 2018.

To quote Senator Jim Hargrove (D-Hoquiam) in the bipartisan press conference held on March 12 as the conference budget was presented, he said it would take a “grand compromise” to fulfill the *McCleary* funding requirement in 2015–17. Though not mentioning it, he was referring to the new revenue necessary to secure this funding.

Other K–12 highlights of the 2014–15 Supplemental Budget include the following:

- New Teacher Mentoring Program (\$2 million);

- Closing the Opportunity Gap (\$245,000);
- Program Compliance (State & Federal Civil Rights, ALE, Dropout Re-engagement) (\$267,000);
- Youth Suicide Prevention (SB 6431) (\$148,000);
- Homeless Student Education Outcomes (SB 6074);
- Paraeducator Development (SB 6129) (\$128,000);
- 24–Credit Graduation Requirement (SB 6552) (\$309,000 for OSPI to develop curriculum frameworks and State Board to adopt rules to implement 24 credits; see below for further explanation of SB 6552); shifts the \$97 million from the 2013–15 Operating Budget from the 1,080 instructional hours to begin a phase-in of the 24-credit diploma;
- Transportation Funding Adjustment (\$558,000) (Districts whose 2013–14 allocations exceed their allocations under the fully-funded expected cost funding model, and have 95% efficiency rate can receive an adjustment to the funding due to geographic challenges);
- Improved Student Education Outcomes (SB 5946) (-\$176,000);
- Closing the Opportunity Gap (\$245,000); and
- Expanded Learning Opportunities (\$83,000) (SB 6163).

The Legislature decided against funding a supplemental capital budget due to the fact that from a K–12 viewpoint, all schools needing funding assistance in School

Construction Assistance Program were funded in 2013–14. However, not funded although passed by the House and included in the House Capital Budget was SHB 2410, a \$1 million Kitchen Equipment Grant Program, supported by WSNA, WASBO, and WAMOA.

Despite there not being a Supplemental Capital Budget, two significant bills were introduced near the end of the session which AEA supported. They deal with increased facilities space for the implementation of all-day kindergarten and K–3 class size reductions. Rep. Hans Dunshee (D-Snohomish) introduced HB 2797, which would have appropriated \$700 million from lottery funds in 2015–17 for all-day kindergarten and K–3 class size reduction facilities. Lottery funds, originally designated by an initiative to be spent on K–12 school construction, have been used exclusively on higher education expenditures in the last several years. By using lottery funds, the process would be outside the constitutional debt limit, and not subject to the full faith and credit of our state. State Treasurer Jim McIntire spoke against the bill due to the possible negative impact on the state’s credit rating. It passed the House but not the Senate.

Senator Karen Keiser (D-Kent) introduced a substitute bill (SSB 6483) which would have appropriated \$825 million in general obligation bonds in the next three biennia to provide funding for facilities for 9–12 STEM high schools and all day kindergarten. The bill also would have provided funds for OSPI to complete a thorough K–3 class size facility assessment of specific needs between now and 2018. The bill died in Senate Rules.

AEA strongly supported SB 6552, dealing with instructional hours and high school graduation credit. The bill:

- Changes the required increase in basic education instructional hours to 1,000 hours for grades 1–8, and 1,080 hours for grades 9–12; permits districts to calculate the hours using a district-wide average across all grades; these instructional hours are to be implemented in 2015–16;
- Directs SBE to adopt rules implementing its revised proposed 24-credit graduation requirement framework

to take effect with the Class of 2019, but allows districts to apply to the SBE for a waiver to begin with the Class of 2020 or 2021;

- Requires districts to provide at least one Career & Technical Education (CTE) math or science equivalency course for grades 9–12; districts with less than 2,000 FTE students may apply for a waiver of this requirement from the State Board of Education (SBE);
- Allows hours scheduled for non-instructional purposes at the end of the school year for graduating seniors to be counted as instructional hours; and
- Eliminates the high school senior requirement of the culminating project beginning with the Class of 2015.

AEA joined the ongoing debate on the use of student test scores in Teacher and Principal Evaluation Program (TPEP), and became quite involved in the “waiver” discussion. Specifically, in 2013, the Department of Education (DOE) designated Washington’s No Child Left Behind waiver as “high risk” and directed the state to require the use of federally-required state test scores as one of the multiple measures of student growth in our state’s TPEP program. Current law says these test scores “may” be used as a measure of student growth, and with no bill passing the Legislature to change requirement from “may” to “shall,” thus the state stands to lose the waiver regarding \$40 million in Title I funds.

Had the waiver been retained, districts could have continued using the funds for normal Title I activities. Under this system, all schools are expected to have 100% of students meeting the standard on reading and math tests by the end of 2014, or be labeled as “failing.” Without the waiver, districts would lose flexibility in spending those Title I funds, as the funds would be directed to be used to provide supplemental services for students and to and from transportation of students to “non-failing” schools.

On March 3, Rep. Pat Sullivan (D-Covington) introduced HB 2800, requested by Gov. Inslee and Supt. Dorn, which would have required the use of student test scores called “growth data elements” no earlier than the 2017–18 school year,

as long as three conditions were met. These conditions include, (1) DOE approves the state's request to delay until the 2017–18 school year; (2) approval of said waiver from DOE is received by OSPI by September 1, 2014; and (3) OSPI notifies the Governor, Legislature and Code Reviser's Office of the approved waiver by September 15, 2014. Unfortunately, the bill did not receive a public hearing.

Also not passing the Senate was SB 5880, which would have mandated that beginning in the 2014–15 school year, student test scores for teachers teaching reading, language arts or math in a grade in which a federally-mandated statewide student assessment is administered, would be used as one of the multiple measures of student growth in the evaluation of said teachers and principals whose building and grade level(s) give the said test.

AEA expressed concerns about the final language in SB 6062, originally asking districts to put their final collective bargaining agreements (CBAs) on the OSPI website. However, in the House version passed in early March, each district must do the following: (1) publish a copy of its CBAs on its website by September 1, 2014; (2) update the website within 30 days of approval, renewal or amendment to CBAs; (3) then unrelated to the CBA provisions, each district with an ASB program fund must publish on its website the beginning and ending fund balances and summary expenditures and revenues for each ASB account with the ASB fund; (4) if school websites are maintained, this information is required to be published on the website of the applicable school; (5) each district must publish the data annually for 2012–13 and 2013–14 school year by August 31, 2014, and update this annually by August 31 of each year; and (6) only information from the previous five years is required to be maintained on the website. WASBO requested the Governor veto the ASB provisions as this information is already readily available, and there's no need to add staff time to put and maintain these data on the school and district websites. However, the Governor signed the complete bill on April 3.

AEA opposed HB 2677, payment of impact fees, which would have required cities and counties to pay their respective impact fees to school districts at the time of

occupancy of the home rather than at the time of the issuance of the building permit. Fast growing school districts need their fees at the beginning of the construction project so there's ample time to purchase portables to house the new students. However, the builders wish to have the fees delayed. Last year, this bill passed both houses, but was vetoed by the Governor. This year the bill failed to pass both houses.

In summary, the 2014 session was challenging but rewarding, as each of the three associations was able to provide strong leadership in influencing appropriate K–12 public policy issues through effective communication with legislators and with legislative committees.

AEA Interim Plans

WAMOA will be setting up several school legislative visits this spring to enable interested legislators to learn more about school facilities in their legislative districts. On April 30, 2014, Rep. Derek Stanford (D-Mountlake Terrace) will be visiting Edmonds and Northshore School Districts. Then on May 2, 2014, Sen. Randi Becker (R-Eatonville) will be touring Bethel and Orting School Districts. WAMOA legislative leaders will be talking to these and other legislators about the Small Repair Grant being included in the 2015–17 Capital Budget.

WSNA will continue to work with Rep. Marcus Riccelli (D-Spokane) on the re-introduction of the OSPI kitchen equipment grant into the 2015–17 capital budget in January 2015. Breakfast participation is a national focus with legislation happening in many states to increase participation. Even though HB 2536, breakfast after the bell, was not passed by the Legislature, WSNA will pursue conversation with bill advocates to see what their plans are for the 2015 session. We plan to offer working with bill sponsors Rep. Zach Hudgins (D-Renton) and Sen. Steve Litzow (R-Mercer Island) on a bill that would promote creative ways to increase breakfast participation without being a financial burden on school districts.

WASBO will continue to watch the TPEP waiver process for any new developments. They will also be reviewing the plan(s) presented by the Legislature on April 30 to the

Supreme Court complying with the January 9 Order of the Court on the progress made and planned to make in fully funding the *McCleary* decision (basic education) by 2018. In preparation for the 2015 session, WASBO will also be establishing a Local Funding Workgroup for the purpose of reviewing school district local funding issues, including “levy swap” proposals that will likely become a focus of policymakers. Findings and recommendations will be shared with the Governor and legislators before and during the 2015 session. Importantly, discussions will guide WASBO advocacy during the session.



ALLIANCE OF EDUCATIONAL ASSOCIATIONS

- Washington Association of Maintenance and Operations Administrators (WAMOA)
www.wamoa.org
- Washington Association of School Business Officials (WASBO)
www.wasbo.org
- Washington School Nutrition Association (WSNA)
www.washingtonsna.org

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Jim Shoemake (AESD)
Marcia Fromhold (AESD)

2014 LEGISLATIVE PLATFORM

WASA believes that the commitment of resources to the education and welfare of the children of Washington State is an investment in the quality of our future.

We believe that effective school leaders initiate and manage change resulting in a system of K-12 education in which all students receive a quality education.

Invest in the Paramount Duty

WASA believes the Legislature should be held accountable for complying with its “paramount duty” to provide ample funding for all K-12 children by implementing the new basic education finance system as adopted in ESHB 2261 (2009) and SHB 2776 (2010). To ensure the new system is completely implemented—with full and equitable funding—by 2018, as ordered by the Supreme Court in *McCleary v. State*, the Legislature must “demonstrate steady progress” towards compliance with the constitution.

Embrace Appropriate Accountability

WASA supports appropriate school accountability; however, the Legislature must first fully comply with its constitutional duty to provide K-12 education with ample funding and satisfy the *McCleary* Court decision before adopting new mandates or programs. Further, new programs should not be adopted without the provision of adequate funding to implement those programs.

Modernize Public School Employee Compensation

WASA urges the Legislature to review and take action on the final report submitted by the Compensation Technical Working Group (June 2012) to ensure the state meets its responsibility to establish an equitable and adequate allocation system for public school employee compensation.

It is the paramount duty of the state to make ample provision for the education of all children residing within its borders without distinction or preference on account of race, color, caste, or sex. (§ 1)

The Legislature shall provide for a general and uniform system of public schools. (§ 2)

Constitution of the State of Washington
Article IX - Education

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WASA is a statewide organization representing 1,600 active and retired public school superintendents and administrators.

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Approved by the WASA Board of Directors 10/20/2013*