

**2017 Legislative Session**

Comparison of Education Funding Plans

January 31, 2017

	<b>Governor's Proposal</b>	<b>D's - HB 1843/SB 5623</b>	<b>Senate R's SSB 5607</b>
Compensation	<p>After two-years of phase-in:            CIS \$72,466 (beginning \$54,587)            CAS \$114,612            CLS \$52,908            Mentors \$92,664</p> <p>Salary amounts include additional professional development days.</p>	<p>After three-years of phase-in (by SY 19-20):            CIS \$70,824 (beginning \$45,500)            CAS \$107,159            CLS \$54,084</p> <p>Salary amounts shown are before professional development and the regional factor is applied</p>	<p>After two-years:</p> <ul style="list-style-type: none"> <li>• Minimum CIS salary is \$45,000</li> <li>• School district total gen. fund salary and benefit expenditures are limited to 80%.</li> <li>• NBCT bonus provided only as a local option.</li> <li>• Add'l compensation for advanced degrees can only be provided if in current subject area.</li> <li>• Per employee increases are provided:               <ul style="list-style-type: none"> <li>○ Up to \$10,000 for high cost housing allowance</li> <li>○ \$12,500 provided for high poverty schools with more than 25,000 students</li> </ul> </li> </ul>
Salary Allocation Model (SAM)	<p>New SAM allows for salary increases for professional certification attainment, advanced degrees, and years of experience. Current salary control language maintained: base salaries cannot exceed the average state allocation.</p>	<p>Formal SAM is eliminated. At full phase-in beginning teachers must be provided at least \$45,500. After 3 years, salary must increase 10%. Current salary control language maintained: base salaries cannot exceed the average state allocation.</p>	<p>Formal SAM is eliminated. All CIS must be provided no less than \$45,000            School district total general fund salary and benefit expenditures are limited to 80%.</p>
Labor Market Adjustments	<p>None</p>	<p>Provided in the omnibus appropriation act – no details for the methodology. Factor is adjusted annually, but will never be less than the prior year.</p>	<ul style="list-style-type: none"> <li>• Up to \$10,000 per employee for higher cost living areas</li> <li>• \$12,500 provided for high poverty schools with more than 2,500 students</li> </ul>
Comparable Wage Survey  <i>Employment Security Department (WaESD)</i>	<p>Requires comparable wage analysis every 4-years conducted by WaESD. The salary determined by WaESD must be used as the base salary by the Legislature.</p>	<ul style="list-style-type: none"> <li>• Every 6 yrs WaESD conducts a comparable wage study for the purpose of rebasing K-12 salaries.</li> <li>• Gov must use rebased salary when preparing budget proposal.</li> <li>• Leg has a thumbs up/thumbs down approval of the rebased salary.</li> </ul>	<p>None</p>

**2017 Legislative Session**

Comparison of Education Funding Plans

January 31, 2017

	<b>Governor's Proposal</b>	<b>D's - HB 1843/SB 5623</b>	<b>Senate R's SSB 5607</b>
Grandfathered Salaries	Grandfather salary allocations are subsumed within the new salary allocations.	Grandfather salary allocations are subsumed within the new salary allocations.	Until SY 23-24, school districts may exceed the 80% salary cap if current salaries and benefits exceed the cap.
Cost of Living Adjustment (COLA)	COLA not provided during new salary phase-in. Restarts after phase-in is complete.	COLA not provided during new salary phase-in. Restarts after phase-in is complete and is defined as basic education.	I-732 COLA is eliminated.
Health Benefits	Funding rate is increased to match the percentage growth provided to state employees (\$849/mo)	Collectively bargained locally. No add'l changes.	School district must provide benefit plans with a 3:1 family to single employee premium ratio by using a benefits savings pool model of cost sharing.
Professional Development (PD)	80 hours of PD provided for CIS 40 hours of PD provided for paraeducators	Ten PD days phased-in over 6 years for all staff types.	N/A
Hold Harmless	Hold harmless provided at the district-level.	Hold harmless provided at the district-level.	In SY 18-19 only, the SPI can provide add'l funding if less state revenue is provided to a school district.  Small school funding remains flat with inflationary increases until state funding catches up.
Recruitment and Retention	<ul style="list-style-type: none"> <li>• \$50M is provided for BEST and it is expanded to include principals.</li> <li>• Additional salary is provided for mentors.</li> <li>• Additional investment in Alternative Routes.</li> </ul>	Not stated in the bill, but part of the EFTF talking points: Continue funding for SB 6455, increase investment for BEST, and other policy changes being developed.	<ul style="list-style-type: none"> <li>• Per employee bonuses are provided in high cost and high poverty school districts.</li> <li>• Teacher recognition grants provided for an unknown number of teachers in the top 5% every other year.</li> <li>• Eliminates school staff certification requirements.</li> <li>• Requires min. employment standards and creates a mandatory certification process for Paraeducators.</li> </ul>

**2017 Legislative Session**

Comparison of Education Funding Plans

January 31, 2017

	<b>Governor's Proposal</b>	<b>D's - HB 1843/SB 5623</b>	<b>Senate R's SSB 5607</b>
Basic Education Changes	<ul style="list-style-type: none"> <li>• Adds 1.0 FTE per prototypical school intended to be used for nurses, social workers, psychologists, counselors, or family engagement coordinators</li> <li>• LAP increased to 2.5 hr/wk</li> <li>• Highly Capable percentage of students serviced increased to 2.75.</li> <li>• PD provided as part of basic education</li> <li>• Creates 30% Voc MSOC multiplier</li> </ul>	<p>Added: COLA</p> <p>Beginning in SY 19-20 the following is phased-in by SY 20-21:</p> <ul style="list-style-type: none"> <li>• CTE/Skill Cntr class sizes are reduced to 16.0/19.0 respectively.</li> <li>• LAP increased to 3.4 hr/wk</li> <li>• TBIP increased to 6.778 hr/wk for grades 7-12</li> <li>• HiCap increased to 3.2 hr/wk</li> <li>• Guidance Counselors increased for grades 7-12</li> <li>• Parent Inv. Coord. Increased for all grades</li> </ul>	<p>Eliminated: Prototypical school funding model (and related transparency), I-732 COLA, and I-1351 staffing increases.</p> <ul style="list-style-type: none"> <li>• Creates a weighted student formula for medium to large school districts.</li> <li>• Requires school districts to create a reserve account to allow for basic education cost recovery for chronically absent students.</li> </ul>
Collective Bargaining	Local control over collective bargaining is maintained.	Local control over collective bargaining is maintained.	<ul style="list-style-type: none"> <li>• Local school boards meeting accountability targets provided in the bill will be exempt from state laws to include collective bargaining.</li> <li>• School employee strikes are prohibited.</li> <li>• Creates a dismissal process for teachers without the ability to appeal beyond the local school board eliminating due process.</li> <li>• Beginning in SY 18-19, for the first time CLS and CAS salary amounts will be limited by a district-wide salary cap.</li> <li>• Prohibits certain employer contributions.</li> <li>• State-funded supplemental contacts are allowed for LAP activities outside of the school day/year.</li> </ul>

**2017 Legislative Session**

Comparison of Education Funding Plans

January 31, 2017

	<b>Governor's Proposal</b>	<b>D's - HB 1843/SB 5623</b>	<b>Senate R's SSB 5607</b>
Levy and Local Effort Assistance (LEA)	<ul style="list-style-type: none"> <li>• Levy lid phased-down to 15% by CY 2019. Eliminates grandfathered levy and removes ghost revenue calculations.</li> <li>• Statewide levy revenue remains flat.</li> <li>• There is no reduction to overall LEA funding.</li> </ul>	<p>Levy lid phased-down to 24% by CY 2021. Eliminates grandfathered levy lids by CY 2021. Removes ghost revenue calculations by CY 2018.</p>	<ul style="list-style-type: none"> <li>• Levy cliff is extended for CY18.</li> <li>• All local levies are eliminated in CY19.</li> <li>• Beginning in CY20, 10% local levies are allowed with the approval of the SPI.</li> <li>• LEA is no longer provided for low assessed value districts is provided.</li> <li>• Salary and benefit expenditures are limited to 80% of the district's general fund.</li> <li>• Local funds cannot be used for basic education staff or purposes.</li> </ul>
Accountability and Transparency	<p>Creates a more robust accounting system.</p>	<ul style="list-style-type: none"> <li>• Creates a workgroup to provide recommendations for a new school district accounting system.</li> <li>• School districts must report TRI contracts to OSPI annually. OSPI will provide a summarized report to the Legislature.</li> </ul>	<ul style="list-style-type: none"> <li>• Requires the creation of a local sub-fund for local revenue and expenditures.</li> <li>• Modifies SD accounting system to allow for reporting of basic and non-basic expenditures, revenue source, and reporting to allow comparison with funding model structure.</li> <li>• Requires SDs to adopt 4-year budget outlook with 4-year enrollment projections. Outlook will become a financial health indicator.</li> <li>• Requires the regular state financial audits of school districts to include a review of the expenditure of levy funds to ensure that such funds are not expended on any supplemental contract beyond the state-funded for certificated instructional staff to provide remedial education instruction and services.</li> <li>• Schools districts with more than 5,000 students must undertake the Baldrige review process every three years.</li> </ul>

**2017 Legislative Session**

Comparison of Education Funding Plans

January 31, 2017

	<b>Governor's Proposal</b>	<b>D's - HB 1843/SB 5623</b>	<b>Senate R's SSB 5607</b>
Revenue Sources	Sources of revenue include: <ul style="list-style-type: none"><li>• B&amp;O for services</li><li>• Carbon Pricing</li><li>• Capital Gains Excise Tax</li><li>• Tax Preference Closures</li><li>• Online retail economic nexus B&amp;O extension</li></ul>	No revenue source stated in the bills, but the EFTF proposal listed the following sources to be considered: <ul style="list-style-type: none"><li>• Four-Tier Nexus (Marketplace Fairness Act)</li><li>• Tax Preference Closures</li><li>• B&amp;O Tax Changes</li><li>• State Property Tax Changes</li><li>• Capital Gains Excise Tax</li><li>• Carbon Pricing</li></ul>	<ul style="list-style-type: none"><li>• Creates a new state levy called the Local Effort Levy at \$1.80/\$1,000 AV. Revenue from this levy is partially provided back to the district it was collected in as a deductible revenue to apportionment.</li><li>• Eliminates and repurposes state funding for NBCT bonuses and Local Effort Assistance.</li><li>• All other revenue (from all funds) received by a district (state, local, and federal) is treated as a deductible revenue to the "backfill" apportionment allocation.</li></ul>