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## Education Committee

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### **E2SSB 5627**

**Brief Description:** Requiring a review and development of basic education funding.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators McAuliffe, Clements, Tom, Weinstein, Rockefeller, Oemig, Kastama, Hobbs, Pridemore, Eide, Franklin, Shin, Regala, Marr, Murray, Spanel, Hargrove, Kline, Kilmer, Haugen, Kohl-Welles and Rasmussen).

#### **Brief Summary of Engrossed Second Substitute Bill**

- Directs the Washington State Institute for Public Policy to staff a thirteen-member Joint Task Force to develop a new definition of basic education, a new funding structure, and all necessary funding formulas.
- Requires an initial plan within 60 days, a report with options for school employee compensation by September 15, 2007, and a final report with recommendations for revising the remaining K-12 funding structure by January 1, 2008.

**Hearing Date:** 3/15/07

**Staff:** Barbara McLain (786-7383).

#### **Background:**

In 2005, the Legislature created a comprehensive education study steering committee (Washington Learns) comprised of the Governor, legislators, and members of the public, as well as three advisory committees on which legislators and others served. The Washington Learns Steering and advisory committees were directed to conduct a series of studies of early learning, K-12, and higher education and develop recommendations on how the state could best provide stable funding for early learning, public schools, and public colleges and universities. The Steering Committee submitted its final report to the Legislature in November 2006.

With regard to K-12 finance, the report recommended a number of initiatives as a "significant down payment" to improve education funding in key areas and stated that the Washington Learns

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Steering Committee would "issue recommendations for a revised K-12 funding model" by December 2008.

**Summary of Bill:**

The Washington State Institute for Public Policy (Institute) must staff a Joint Task Force to review the definition of basic education and all current basic education funding formulas, and to develop a new funding structure and formulas that align with the final report of the Washington Learns Steering Committee and the basic education provisions in current law.

The Joint Task Force consists of 13 members: four legislators, the Superintendent of Public Instruction, a chair with business experience, and seven public members. The chair and the public members are appointed by the Governor and must have significant experience with Washington K-12 finance issues. Each of the two largest caucuses in the House of Representatives and the Senate recommend names to the Governor for the public members.

In developing the recommendations, the Joint Task Force reviews and builds on reports produced as a result of the Washington Learns study, available high-quality studies, and research conducted by the Institute on the cost benefits of various K-12 programs. The funding structure alternatives must take into consideration specified legislative priorities, including research-proven programs, activities with demonstrated cost benefits, professional development, all-day kindergarten, optimum class size, and other issues. Additionally, the recommendations should provide maximum transparency of the funding system, and the structure should be linked to accountability for student outcomes and performance.

The Institute provides the Joint Task Force with the following products:

1. Within 60 days of the effective date of the act, an initial report that includes a plan of action with timelines, reporting deadlines, and a timeline that does not exceed six years for implementation of a new funding system;
2. By September 15, 2007, recommendations for between two and four options for allocating school employee compensation, with one outcome-based option, and a finalized timeline and plan for addressing the remaining components of a new funding system; and
3. By January 1, 2008, a final report with recommendations for between two and four options for revising the remaining K-12 funding structure and a timeline for phasing in the new structure. One of the options must be outcome-based.

**Appropriation:** None.

**Fiscal Note:** Requested on March 12, 2007.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.