

HOUSE BILL REPORT

E2SSB 6696

As Reported by House Committee On:
Education
Ways & Means

Title: An act relating to education reform.

Brief Description: Regarding education reform.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators McAuliffe, King, Gordon, Oemig, Hobbs, Kauffman, McDermott, Roach, Berkey, Murray, Tom, Prentice, Haugen, Fairley, Kline, Rockefeller, Keiser, Marr, Ranker, Regala, Eide, Kilmer, Hargrove, Franklin, Shin and Kohl-Welles; by request of Governor Gregoire).

Brief History:

Committee Activity:

Education: 2/17/10, 2/23/10 [DPA];

Ways & Means: 2/27/10 [DPA(WAYS w/o ED)].

**Brief Summary of Engrossed Second Substitute Bill
(As Amended by House)**

- Provides authority and specifies a process for the Superintendent of Public Instruction (SPI) and the State Board of Education to implement an accountability system that recognizes successful schools and requires certain actions by school districts with persistently lowest-achieving schools, according to federal definitions.
- Requires development and implementation of new classroom teacher and principal four-level rating evaluation systems with specified minimum criteria, and extends provisional status for non-supervisory certificated staff from two to three years.
- Establishes a new process for transferring principals to a subordinate position, which applies only to principals hired after the bill takes effect and in school districts with more than 35,000 students.
- Authorizes the Professional Educator Standards Board to accept proposals for new preparation program providers that include community colleges and non-higher education providers.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- Requires public colleges of education that offer residency certification to submit a proposal to offer an alternative route program.
- Requires all teacher preparation programs to administer a new evidence-based assessment to all preservice candidates beginning in 2011-12.
- Authorizes the SPI to provisionally adopt, by August 2, 2010, the Common Core Standards developed by a multi-state consortium, but prohibits implementation until the Legislature has an opportunity for review.
- Sets forth in statute numeric values for the Basic Education prototypical school funding formula adopted in 2009, to take effect September 1, 2011.
- Adopts a schedule for phasing in kindergarten through third grade class size reduction, increased funding for maintenance, supplies, and operating costs, and full-day kindergarten.
- Implements a new funding formula for pupil transportation in 2011 rather than 2013, and adopts a schedule for phasing-in full funding under that formula.

HOUSE COMMITTEE ON EDUCATION

Majority Report: Do pass as amended. Signed by 13 members: Representatives Quall, Chair; Maxwell, Vice Chair; Priest, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dammeier, Fagan, Hunt, Johnson, Liias, Orwall, Probst, Santos and Sullivan.

Staff: Barbara McLain (786-7383).

Background:

System of School and District Accountability.

Introduction. In 2005 the Legislature directed the newly-reconstituted State Board of Education (SBE) to "implement a standards-based accountability system of academic achievement." The SBE has worked extensively to consider and develop options for such a system and submitted a report with recommendations to the Legislature on December 1, 2009.

Federal Accountability and School Improvement. Washington's approach to identifying schools and districts needing improvement has followed the requirements of the federal No Child Left Behind Act (NCLB) of 2001. The NCLB requires that schools and districts make "adequate yearly progress" (AYP) by meeting established annual goals for scores on state assessments in mathematics and reading, graduation rates, and unexcused absence rates.

State Assistance to Schools and Districts Needing Improvement. The Superintendent of Public Instruction (SPI) has established focused assistance programs for schools that need help improving student achievement. Federal funding is available for Title I schools; state

funds have also been provided for non-Title I schools. Participation of schools and districts in focused assistance has been entirely voluntary. Washington has had a law prohibiting the SPI or the SBE from intervening in a school or district unless the Legislature authorized a set of intervention strategies.

New Federal School Improvement Regulations. In December 2009 the U.S. Department of Education issued new regulations governing the use of federal funds for school improvement. The American Recovery and Reinvestment Act of 2009 provides approximately \$42.5 million for school improvement to Washington over the next three years. Under the new regulations, significant resources and attention are focused on the lowest 5 percent of persistently lowest-performing schools that are eligible for Title I funds.

To receive a school improvement grant, school districts will be required to implement one of the following four federal intervention models in persistently lowest-performing schools:

1. Turnaround: A district would be required to replace the principal, rehire no more than 50 percent of the staff, adopt a new governance structure for the school, provide high quality professional development, and use data to identify and implement a research-based instructional program.
2. Restart: A district must close the school and reopen it either as a charter school or under the management of an external education management organization.
3. Closure: A district closes the school and enrolls the students in other schools in the district that are higher-performing.
4. Transformation: In addition to replacing the principal, a variety of required and optional reform activities are outlined in the federal guidelines.

Educator Performance.

Evaluations. Minimum criteria for the evaluation of teachers and other certificated support staff appear in statute and have not been changed since the 1970s. Timelines and procedures are specified for the conduct of evaluations and the use of results. There is a short-form evaluation for those who have received four consecutive satisfactory evaluations. Beyond the minimums provided in statute, the details of the process and criteria for evaluation are subjects of collective bargaining.

School boards are also required to establish criteria and procedures for evaluating administrators. General criteria, applied depending on the administrator's job description, appear in statute.

Provisional Status and Transfer to a Subordinate Position. Except for superintendents, all school district employees are hired on a one-year contract. Certificated instructional and administrative staff are offered a contract renewal for the following year unless there is a probable cause that the contract should not be renewed. However, non-supervisory certificated staff have provisional status during the first two years of employment. It is not necessary for the district to show probable cause as a justification for non-renewal of a provisional employee's contract.

Certificated administrative staff do not have provisional status. However, they can be transferred within the district to a subordinate position (e.g., one with lower pay) if the

superintendent determines it is in the best interest of the school district. For principals, this transfer can only occur within the first three years of employment as a principal.

Supplemental Contracts.

Salaries paid to certificated instructional staff can exceed the limitations imposed by laws pertaining to the statewide salary allocation schedule only through a supplemental contract for "time, additional responsibilities, or incentives." The supplemental contracts must be paid with non-state funds and cannot be for Basic Education services.

Educator Preparation.

Program Approval. The Professional Educator Standards Board (PESB) is the state agency charged with establishing qualifications for educator certification, including approval of teacher and administrator preparation programs offered by colleges and universities.

Preservice Performance Assessment. Candidates for a residency teaching certificate are evaluated during their student teaching using a performance-based assessment developed by the colleges of education. In 2009 the Legislature directed the PESB to submit a proposal for a uniform, statewide, valid, and reliable means of assessing candidate performance before granting a teaching certificate. In April 2009 the PESB joined a multi-state consortium to pilot a preservice performance assessment based on an instrument used in California.

Alternative Routes to Certification. In 2001 the Legislature authorized a partnership grant program where one or more school districts and a college of education could develop and offer a teacher preparation program that included an individualized teacher development plan; between one-half to one-year of intensive mentored internship in the classroom; and coursework to provide knowledge and skills needed for certification, usually offered during the summer and/or on evenings and weekends during the school year.

There are various alternative routes intended to attract different possible candidates. Initially, grant funds were appropriated to partnerships to pay intern and mentor stipends as well as provide conditional scholarships for interns to cover tuition and fees. In 2003 funding was shifted almost entirely to conditional scholarships for interns. The alternative route programs are still operated and authorized as a "partnership grant program" even though they do not receive grant funds. There are currently 10 approved programs, none of which are offered by a public four-year institution of higher education.

Community and Technical Colleges and Teacher Preparation. A study conducted by the PESB in 2008 found that approximately half of new teachers start their post-secondary education in community colleges. Community colleges can offer associate degrees and non-degree certificates approved by the State Board for Community and Technical Colleges (SBCTC). Three colleges are authorized to offer applied baccalaureate degrees in technical fields on a pilot basis.

Student Teaching Centers. Legislation enacted in 1991 created networks of student teaching centers through the Educational Service Districts (ESDs) to coordinate student teaching

placements in rural communities not served by higher education institutions. Funding for the centers was eliminated in the 2003-05 biennial budget.

Educator Workforce.

There are no coordinated efforts to project demand for teachers on a regional or statewide basis. The Higher Education Coordinating Board (HECB) is assigned to conduct a needs assessment for teacher preparation in mathematics, science, and technology, but the regular needs assessment process used by the HECB for additional degrees and programs does not specifically include educator workforce data.

Common Core Standards.

The SPI is responsible for developing, adopting, and periodically revising the state learning standards. If requested, the SPI must provide opportunities for the Education committees of the Legislature to review any proposed modifications to the standards before they are adopted.

In the spring of 2009 Washington signed a Memorandum of Understanding (MOU) to join the Common Core Standards Initiative (Initiative) along with 47 other states. The Initiative is an effort to develop a single, common set of standards for English language arts and mathematics in K-12. The standards are anticipated to be released in February 2010. The MOU does not obligate Washington to adopt the standards.

Parents and Community.

Each school is required to publish an annual school performance report, deliver it to parents of children in the school, and make it available to the community. The minimum content of the report includes enrollment statistics and student demographics, student achievement data, an annual budget report, and a description of learning improvement plans for the school.

One of the responsibilities of the Center for the Improvement of Student Learning (CISL) within the Office of Superintendent of Public Instruction (OSPI) is to serve as a clearinghouse for information regarding successful parent involvement programs in schools and districts.

Achievement Gap.

Legislation enacted in 2009 created the Achievement Gap Oversight and Accountability Committee (Achievement Gap Committee) to recommend policies and strategies to the SPI, the PESB, and the SBE to close the achievement gap.

Education Reform Finance.

Overview. Legislation enacted in 2009 (chapter 548, Laws of 2009 or Engrossed Substitute House Bill 2261) revised the definition of the program of Basic Education and established new methods for distributing state funds to school districts to support this program of Basic Education. Various technical working groups were established to continue implementation

of the legislation, as well as a Quality Education Council (QEC) composed of eight legislators, leaders of four state education agencies, and a representative of the Office of the Governor.

Prototypical Schools Funding Formula. The 2009 legislation states that, beginning September 1, 2011, "to the extent the technical details of the formula have been adopted by the Legislature, the distribution formula for the Basic Education instructional allocation shall be based on minimum staffing and non-staff costs the Legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students."

A certain amount of detail about the structure of the formula was placed into statute. However, with the exception of the excess cost allocation for special education, the legislation did not contain any numeric values for the various funding formula elements to be implemented in 2011.

Funding Formula Technical Working Group (FFTWG). A working group made up of school financial managers, representatives of various education groups, and other individuals with expertise in education finance developed a recommended set of numeric values that are intended to represent, as closely as possible, a translation of current levels of state funding for Basic Education into the new formula elements. The FFTWG final report calls these the "Baseline" values. The QEC recommended that the 2010 Legislature adopt the Baseline values and details of the prototypical school funding formula as recommended by the FFTWG and place these values into statute, to take effect September 1, 2011.

Pupil Transportation Funding Formula. The 2009 legislation authorized a new funding formula for pupil transportation that uses a regression analysis of various cost factors to allocate funds to school districts. The laws authorizing the new formula take effect September 1, 2013, but implementation of the formula is to be phased-in according to an implementation schedule adopted by the Legislature. The QEC recommended that the new formula be authorized beginning September 1, 2011, rather than 2013, and further recommended that funding for the new formula be phased-in over a three-year period beginning in 2011.

Other QEC Recommendations. The QEC's January 2010 report also contained recommendations to phase-in enhancements of state allocations for kindergarten through third grade (K-3) class size, maintenance, supplies, and operating costs (MSOC), and full-day kindergarten above the values expressed in the Baseline. The QEC also recommended modifying the timelines for convening and reports due from other technical working groups.

Summary of Amended Bill:

System of School and District Accountability.

Persistently Lowest-Achieving Schools. Beginning in 2010 and each year thereafter by December 1, the SPI must identify Title I and Title I-eligible schools that are the persistently

lowest-achieving in the state. The criteria for identifying a school are established by the SPI and must conform to requirements for receipt of a federal school improvement grant.

Required Action Districts. Beginning in January 2011 the SPI must annually recommend to the SBE those school districts to be designated as Required Action districts.

Any district with at least one school identified as persistently lowest-achieving is designated as a Required Action district if it meets the criteria established by the SPI. However, a district will not be identified as a Required Action district in 2010 if it received a federal school improvement grant in 2010 and implemented a federal intervention model in each persistently lowest-achieving school.

Required Action Plan. The SPI must contract with an external review team to conduct an academic performance audit of a Required Action district and its persistently lowest-achieving schools. The audit is based on criteria developed by the SPI, a number of which are specified.

A Required Action district must develop a Required Action Plan (Plan) in collaboration with staff, parents, unions, students, and other representatives of the community and hold a public hearing on the proposed Plan. The SPI must provide assistance in developing a Plan if requested.

A Plan must include implementation of one of four federal intervention models that are required for receipt of federal school improvement grants, except that a district is not authorized to establish a charter school without express legislative authorization. The Plan must also include an application for a federal school improvement grant and other specified items.

Collective Bargaining Agreements. For any Required Action district, the parties to any collective bargaining agreement negotiated, renewed, or extended after the bill takes effect must reopen the agreement or negotiate an addendum if changes to terms and conditions of employment are needed to implement a Plan.

If the school district and employee organizations are unable to agree to these changes, the parties must request the Public Employment Relations Commission (PERC) to appoint a mediator. If the PERC finds that the parties are unable to reach agreement after a reasonable period, the PERC Director must certify any disputed issues for a decision by the superior court of the county in which the district is located.

After consideration of briefs and a hearing, the superior court must enter an order selecting the proposal that best responds to the issues raised in the district's academic performance audit and allows for the award of a federal school improvement grant. Orders are binding on the parties, except that the court's decision is subject to appeal if it does not allow the district to implement a Plan that is consistent with an award of a federal school improvement grant.

Each party bears its own costs and attorneys' fees. Amendments are made to school employee collective bargaining laws to cross-reference the collective bargaining provisions in the bill.

Plan Approval and Implementation. Plans must be submitted to the SBE for approval. If the SBE does not approve a plan, a district must either submit a new Plan or can request reconsideration from a Required Action Review Panel (Panel). The Panel is composed of five individuals appointed by the Speaker of the House, the President of the Senate, and the Governor, but is convened by the SPI only on an as-needed basis. Reconsideration is based on whether the SBE gave appropriate consideration to the unique circumstances of the district. The Panel can reaffirm the SBE's rejection of the Plan, recommend approval, or recommend changes to secure approval.

If federal funds are not available, a Plan is not required to be implemented. Otherwise, a Plan must be implemented in the school year immediately following designation as a Required Action district.

If a district has not submitted a final Plan for approval, or has submitted a Plan but not received approval by the beginning of the school year that the Plan is to be implemented, the SBE is authorized to direct the SPI to redirect the district's Title I funds based on the academic performance audit.

The SPI must provide a biannual report to the SBE on the progress of all Required Action districts. The SPI must recommend that a district be released from Required Action after the district implements a Plan for three years, has made progress, and no longer has a persistently lowest-performing school. If the SBE determines that a district has not made sufficient progress, the district remains in Required Action and must submit a new or revised Plan.

Other. The SBE, in cooperation with the SPI, must annually recognize schools for exemplary student performance, as measured by the SBE Accountability Index.

Provisions of law directing the SBE to develop and submit proposals to the Legislature for an accountability system are repealed, including a requirement that a proposal for addressing performance challenges takes effect only if formally authorized by the Legislature.

Joint Select Committee. A Joint Select Committee (Committee) is created with eight legislative members to examine options and models for significant state action, particularly in the case of persistent lack of improvement by a Required Action district. The Committee must submit an interim report by September 1, 2011, and a final report with recommendations by September 1, 2012.

Educator Performance.

Teacher Evaluation. All school districts must, through collective bargaining, establish revised criteria and a four-level rating system for evaluating classroom teachers. Expanded minimum evaluation criteria are specified, and the four-level rating system is described. When student growth data, if available and relevant to the teacher and the subject matter, is referenced in the evaluation process, it must be based on multiple measures. Teachers can use a short-form evaluation after four years of receiving one of the top two evaluation ratings.

Principal Evaluation. School districts must also establish revised criteria and a four-level rating system for evaluating principals. The rating system for principals must have the same characteristics as the one for teachers. Minimum criteria for evaluating principals are specified.

Implementation of New Evaluation Systems. The SPI must create models, which must be available for use in the 2011-12 school year, for implementing the evaluation system criteria, the four-level rating systems, student growth measurement tools, professional development programs, and evaluator training. In doing this work the SPI must collaborate with associations representing teachers, principals, and administrators, along with a selected group of school districts that agree to participate in development and piloting activities. These districts will begin implementation of the revised systems in the 2010-11 school year. The districts must submit certain student data to the SPI, and the SPI must analyze the extent that data is used in the evaluations. The new evaluation systems must be implemented in all school districts beginning in 2013-14.

The SPI must provide reports on the status of implementation by July 1, 2011 and July 1, 2012. The 2011 report must include recommendations for whether a single statewide evaluation model should be adopted, whether modified versions should be subject to state approval, what the criteria would be for state approval, and challenges posed by requiring a state approval process. If funds are provided for beginning teacher support programs, school districts participating in the phase-in of the new evaluation systems receive first priority for funds during the phase-in period.

School districts must annually report to the SPI on the evaluation criteria and results for all district staff, and provide information to the community about district policies for hiring, assigning, evaluating, and terminating staff. School district staff assignment policies must be based on a plan to ensure that the policy supports the learning needs of all students and gives specific attention to high-need schools and classrooms.

Provisional Status and Transfer to a Subordinate Position. Provisional status for non-supervisory certificated staff is changed to three years instead of two years, except that the district superintendent can choose to move an individual to continuing contract status if the person received one of the top two evaluation ratings during the second year of employment.

Principals hired after the effective date of the bill can be transferred to a subordinate position in the district even if they have more than three years of employment as a principal, based on the superintendent's determination that the results of the principal's performance evaluation provide a valid reason for the transfer. No probationary period is required, but support and an attempt at remediation, as defined by the superintendent, are required. A final decision by the board to transfer the principal cannot be appealed. These provisions apply only in school districts with more than 35,000 students.

Supplemental Contracts.

The following is added to activities that can be covered by supplemental contracts: innovative activities, including professional development, to close the achievement gap,

focus on development of science, technology, engineering, and mathematics learning opportunities, and provide arts education.

Educator Preparation.

Program Approval. By September 1, 2010 the PESB must review and revise its educator preparation program approval standards and, beginning September 30, 2010, accept proposals for new programs that could include community and technical colleges or non-higher education providers. All approved program providers must adhere to the same standards and comply with the same requirements.

Preservice Performance Assessment. Approved teacher preparation programs must administer the PESB's evidence-based assessment of teaching effectiveness to all preservice candidates beginning with the 2011-12 school year. The PESB must establish a date during the 2012-13 school year after which all candidates must successfully pass the assessment. The PESB is authorized to contract with a third-party to administer the assessment. Candidates who are charged a fee for the assessment by the contracted party will pay the contractor directly.

Alternative Routes to Certification. The PESB is directed to transition the alternative route certification program from a separate competitive partnership grant program to a preparation program model that can be expanded to additional approved providers. Various adjustments are made to the laws pertaining to these alternative route programs to reflect the shift in emphasis.

All public institutions of higher education with residency certificate programs that are not already offering an alternative route program must submit a proposal to the PESB to offer one or more of the alternative route programs.

Community and Technical Colleges and Teacher Preparation. The SBCTC selects up to three community colleges to develop and offer a program of study that leads to a baccalaureate degree with a teaching certificate in a subject matter shortage area. The SBCTC and the PESB provide technical assistance to the colleges in developing the program and submitting it for approval by the SBCTC, the HECB, and the PESB.

Student Teaching Centers. Laws establishing student teaching centers in the ESDs are repealed.

Educator Workforce.

The ESDs must annually convene school districts and educator preparation programs in their region to review educator workforce data, make projections of certificate needs, and identify how preparation program recruitment and enrollment plans reflect that need.

The needs assessment conducted by the HECB regarding teacher preparation is expanded to include any area of regional or subject-matter shortage. The HECB must also establish service regions for public institutions of higher education that offer preparation programs. If the HECB determines that access to a preparation program within a service region is

inadequate, the responsible higher education institution must submit a plan to the HECB for meeting the need.

Common Core Standards.

The SPI is authorized to adopt a common set of standards based on those developed by a multi-state consortium on a provisional basis by August 2, 2010, but must not implement the standards until the legislative Education committees have an opportunity for review. By January 1, 2011, the SPI must submit a detailed comparison of the provisional standards and the state standards, as well as an estimated timeline and costs to implement the provisional standards.

Parents and Community.

Beginning in 2010-11 each school must conduct outreach and seek feedback from a diverse range of parents and community members regarding their experience with the school. Schools must summarize the feedback and include it in the annual school performance report. The SPI must create a working group to develop model feedback tools and strategies that school districts are encouraged to adapt to the unique circumstances of their communities. School districts are encouraged to create spaces in school buildings, if space is available, to provide access to student and family services. The CISL must determine measures that can be used to evaluate the level of parental involvement in a school and identify successful models and practices of parent involvement.

Achievement Gap.

The SBE must have ongoing collaboration with the Achievement Gap Committee regarding the measures used for and the recognition of schools that are closing the achievement gap. The SPI, the SBE, the PESB, and the QEC must work collaboratively with the Achievement Gap Committee to close the achievement gap.

Education Reform Finance.

Intent. The Legislature finds that an essential aspect of overall education reform is reform in state financing for Basic Education. The Legislature intends to adopt the technical details of a new distribution formula for Basic Education and authorize a phase-in of implementation of a new distribution formula for pupil transportation.

Baseline Prototypical School Funding Formula. Numeric values, representing 2009-10 state funding for the Basic Education Act unless otherwise stated, are specified in statute for such funding formula items as class size (which forms the basis of allocations for classroom teachers); allocations of various categories of building-level staff, district-wide support staff, and central office administration; and allocations for categories of MSOC totaling \$517.90 per full-time equivalent student before adjustment for inflation. Allocations for categorical programs are specified as additional instructional hours per week per eligible student in a certain class size.

Modifications are made to the structure of the funding formula, including a separate allocation for career and technical education (CTE) and skill center administrative staff. The formula base used to calculate costs for special education and for central administration is corrected.

For purposes of the statewide salary allocation schedule, those staffing categories from the prototypical school formula that are considered certificated instructional staff (CIS) are specified. A requirement is restored that school districts maintain a minimum staffing ratio of 46 CIS per 1,000 students in Basic Education, rather than repealing the requirement as of September 1, 2011.

Formula Enhancements Beginning in 2011-12. The average class size for grades K-3 must be reduced each year beginning with schools with the highest percent of low-income students, until the class size in the formula beginning in the 2015-16 school year is 15 students per classroom teacher. Funding must continue to be phased-in incrementally each year for full-day kindergarten until full statewide implementation is achieved in the 2017-18 school year. The allocations for MSOC must be annually increased until an allocation of \$1,082.76 per FTE student (to be adjusted for inflation) is provided in 2013-14.

Pupil Transportation Funding Formula. Laws authorizing a new pupil transportation funding formula take effect September 1, 2011, instead of September 1, 2013. Funding under the new formula must be fully implemented by the 2013-14 school year.

Funding Working Groups. A Local Finance Working Group is convened by April 1, 2010, rather than July 1, and a report is required by June 30, 2011, rather than December 1. An initial report from a Compensation Working Group is due by June 30, 2012, rather than December of that year.

Other Items. The OSPI must implement and maintain an Internet-based portal that provides, for each school building, the staffing levels and other funding elements assumed in the prototypical school funding formula, along with a comparison of how school districts actually deploy staff and resources in the building. The Washington State Institute for Public Policy (WSIPP) must annually calculate a savings to taxpayers resulting from improved extended graduation rates, and the OSPI must include this estimate in its annual dropout and graduation report.

Amended Bill Compared to Engrossed Second Substitute Bill:

A Required Action Review Panel of five individuals is appointed and convened on an as needed basis to hear requests for reconsideration if the SBE rejects a school district's Plan. A Joint Select Committee is created to examine options and models for consequences and significant state action in the case of persistent lack of improvement by a Required Action district. A 2011 report from the SPI on the progress of the new evaluations system must include recommendations for whether a single statewide evaluation model should be adopted and whether state approval should be required for district-modified versions. A parent selected by the state Parent Teacher Association from an applicant pool is not added to the state working group developing model evaluation criteria and rating systems. A new process and standard are created for transferring a principal to a subordinate position within the

district. The provisions apply only to principals hired after the effective date of the bill and only in school districts with more than 35,000 students.

School districts and the OSPI are not required to submit an annual report detailing how supplemental contracts support innovative activities. The PESB is authorized to contract with a third-party to administer the preservice performance assessment. The PESB establishes through rule the date after which candidates must successfully pass the assessment. The SBCTC selects up to three community colleges to offer a baccalaureate degree plus teaching certificate in a subject matter shortage area, subject to degree and certificate program approval procedures. The SPI is authorized to adopt the Common Core Standards by August 2, 2010, but only on a provisional basis. Implementation of the standards is prohibited until the Legislature has an opportunity for review. Schools must conduct outreach and seek feedback from a broad and diverse range of stakeholders in their communities, rather than survey parents and community members. A state working group develops multiple feedback tools and strategies that districts are encouraged to adapt to their unique circumstances. The CISL is not required to recognize schools beginning in 2010-11 based on measures of parent involvement, but is directed to identify successful models and practices.

Baseline values for Basic Education funding are set forth in statute, as recommended by a technical working group and the QEC, for the prototypical school funding formula adopted in 2009 legislation, effective September 1, 2011. Various formula elements and allocation categories are modified. Enhancements to the funding formula are adopted for K-3 class size, MSOC funding, and full-day kindergarten, to be phased in as specified. A new pupil transportation funding formula is implemented as of 2011 and full funding is to be phased in over a three-year period. A requirement that school districts maintain minimum CIS staff ratios is restored. Timelines and reporting dates for other working groups are modified. The WSIPP must calculate a savings from improvement in graduation rates, and The OSPI publishes this in an annual report. The OSPI implements an Internet portal displaying the prototype school allocations compared to actual allocations, by building.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 23, 2010.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed, except sections 1002, 1003, 1004, 1008, 1010, 1013, and 1014 that deal with funding formulas and the restoration of the Certificated Instructional Staff ratio which take effect September 1, 2011, and section 1006 that convenes a Local Finance Working Group by April 1, 2010, which contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) It took thousands of hours and days of work to develop the compromises of this legislation. The people who have to implement the provisions are the people who are at the

table. We have worked for years on accountability, and this is a proposal that needs to be implemented. The highest points to be awarded in the Race to the Top grant are for systems of accountability, educator evaluation, and innovation. This bill contains solid proposals for each of these items. It also strengthens parent and community involvement in our schools. There are some who say the bill does not go far enough, but it does because it can be implemented due to the compromises that have been reached.

The Governor strongly endorses this executive-request legislation. It contains a lot of work that this committee and others have done to improve our education system. There are three main provisions: it puts an accountability system in place; it provides expanded opportunities for preparing teachers; and it improves evaluation practices for teachers and principals. Regarding evaluation, the Governor has crafted careful parameters, including significant expansion of the evaluation criteria, which will be mandatory for all school districts. While we know there is work to do on state-level instruments to measure student growth, it is important that these apply to all teachers. All teachers need to own the responsibility of improving student growth. It is important to have evaluation models developed locally.

The Legislature has given the SBE many challenging assignments. Our state has been stuck in limbo on the issue of accountability for 17 years. The SBE has passionate, committed members who have spent the last three years engaged in work and public dialog on this issue. There are checks and balances in this proposal between the OSPI, the SBE, and school districts. The SBE suggests adding language to permit use of Race to the Top funds for Required Action.

This represents months and months of work to develop a sound policy that will strengthen the teaching profession and improve student learning. The accountability proposal has strong collaboration within the school community. The evaluation proposal builds on what we have learned from some lighthouse districts. It mandates statewide criteria; there is no stepping away from these high standards. But it is important to be able to reflect the unique situations of communities, and to place a different emphasis and priority within the evaluation process. One size does not fit all. We currently have no true diagnostic assessments of student learning that can be associated with teacher evaluations. Alternative routes to certification are supported as long as we hold to the same high standards as our current programs.

Common elements of the evaluation systems will rise to the top; school districts need the ability to weight things differently. It is important to have a parent participating in developing the evaluation models.

(In support with concerns) This is a good start, but it needs to be stronger. There must be a single implementation timeline and a single model of evaluation, not 295 of them. Student growth needs to be a significant factor in evaluation. The primary job of any educator is to educate. There needs to be a commitment across the state to ensure that students are striving for excellence. Last year, we fought for stronger definitions of Basic Education, but changing definitions is not enough. Our education system is terribly underfunded, and we cannot afford to pass up the opportunity for millions of dollars of federal money. The current bill is too weak on improving evaluations; it places a burden and an unfunded mandate on school districts. Having student growth as a measure of teaching effectiveness is critical.

The objective of an accountability system is to turn around struggling schools and low-performing classrooms. Identifying quality educators through outcomes is the only way to accomplish this.

The collaborative effort to develop the bill is applauded, but there are improvements that should be made. The OSPI must work collaboratively with experienced school districts to develop a common evaluation system that includes measures of student growth. There must be a common definition of an effective teacher, based on multiple measures. This is not as far as we could go to assure that we are identifying and deploying the best teachers and principals.

School directors are generally supportive of the evaluation and tenure changes. There is concern that we will be requiring districts to take on a significant workload, which without Race to the Top funds becomes yet another unfunded mandate. There is support for an appeal process if a Plan is rejected. Having the SBE approve Plans rather than the SPI is preferred.

(With concerns) Professional development is missing from this picture. Nobody improves based on a score; what matters is assistance in skill improvement. This looks like we are again focusing on the assessment tool and not the substance of actual effective teaching and learning.

(Opposed) There has been a concerted effort to improve the state's performance in mathematics by improving the state's mathematics standards. The adoption of Common Core Standards might make sense if we knew what those standards looked like, but we do not. The comment period would only be two weeks long; the public and policymakers deserve a longer period to carefully review any changes. Do not pass a bill that gives away Washington's authority over our mathematics standards.

Persons Testifying: (In support) Senator McAuliffe, prime sponsor, Marty Brown, Office of the Governor; Judy Hartmann, Governor's Executive Policy Office; Edie Harding, State Board of Education; Mary Lindquist, Washington Education Association; Tre Maxie, Powerful Schools and Excellent Schools Now; Mary Alice Heuschel, Renton School District; Kristen Merlo and Kim Howard, Washington State Parent Teacher Association; and Jerry Bender, Association of Washington School Principals.

(In support with concerns) Carol Porkka, Dana Roberts, Jim Kainber and Heather McCurdy, Stand for Children; Lew McMurren, Washington Technology Industry Association; Dan Steele, Washington State School Directors' Association; Marsha Riddleby, Western Washington University; Caroline King, Partnership for Learning; and George Scarola, League of Education Voters and Excellent Schools Now.

(With concerns) Megan Conklin, North Thurston School District.

(Opposed) Ted Nutting.

Persons Signed In To Testify But Not Testifying: Jennifer Wallace, Professional Educator Standards Board; Bob Cooper, Washington Association of Colleges for Teacher Education;

Alan Burke, Office of Superintendent of Public Instruction; Shannon Campion, Stand for Children; Steve DuPont, Central Washington University; Julie Suchanek, The Evergreen State College; and Barbara Mertens, Washington Association of School Administrators.

HOUSE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended by Committee on Ways & Means and without amendment by Committee on Education. Signed by 16 members: Representatives Linville, Chair; Ericks, Vice Chair; Sullivan, Vice Chair; Dammeier, Assistant Ranking Minority Member; Cody, Conway, Darneille, Haigh, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest and Seaquist.

Minority Report: Do not pass. Signed by 6 members: Representatives Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Chandler, Hinkle, Ross and Schmick.

Staff: Ben Rarick (786-7349).

Summary of Recommendation of Committee On Ways & Means Compared to Recommendation of Committee On Education:

Modifications are made to align the following: the subjects in a performance audit; the content of a district's Required Action Plan (Plan); the State Board of Education review of that Plan; and possible review by a five-person Review Panel if the Plan is rejected by the State Board of Education. Panel members are appointed for a four-year term, with opportunity for re-appointment. Other federal funds for school improvement may be used to implement a Plan. A Joint Select Committee will be convened no earlier than May 1, 2012, with reports due in 2012 and 2013, rather than in 2011 and 2012.

Parent associations are included in the state work group developing evaluation systems. School districts and the Office of the Superintendent of Public Instruction (OSPI) will report annually on how supplemental contracts are used to support innovative activities addressed in the bill. Two non-legislative members of the Achievement Gap Committee are added to the Quality Education Council (QEC). The QEC must submit a report by December 1, 2010, on closing the achievement gap, increasing graduation rates, and assuring adequate levels of classified staff.

In the Education Reform Finance portion of the bill, legislative intent is established that per pupil Basic Education funding for a school district will not decrease as a result of transitioning to the new formula in 2011-12.

Within the prototypical school funding formula, allocations for various categories of classified staff are made at 2009-10 budgeted levels of one staff per 58.75 students, rather than the Basic Education Act levels of one staff per 60 students. The building-level staff category of Health and Social Services is subdivided into allocations for Nurses, Social Workers, and Psychologists.

Appropriation: None.

Fiscal Note: Requested on February 23, 2010.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed, except sections 1002, 1003, 1004, 1008, 1010, 1013, and 1014 that deal with funding formulas and the restoration of the Certificated Instructional Staff ratio which take effect September 1, 2011, and section 1006 that convenes a Local Finance Working Group by April 1, 2010, which contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) This is the next step forward in improving our K-12 system. This bill will aid the state in its application for Race-to-the-Top funds, but it's also important to do because it's the right thing to do. The required action plan provisions are not unfunded mandates because they are funded with federal school improvement funds, and the requirement to implement is subject to those funds being available. Regarding evaluations, while there may be local costs, there is much work to be done to modernize our teacher and principal evaluation systems. The result will be improved student learning, better teachers, and better principals. This is well worth the cost. The addition of the education reform finance provisions to the Race-to-the-Top provision is a welcome change. These are two sides of the same coin—reforming practices and providing more funding for schools. While the bill could be stronger regarding evaluation, it is a good compromise to have the Office of the Superintendent of Public Instruction examine whether a common statewide model should be developed and make recommendations accordingly. Including the current classified staff in the basic education allocation is also an important enhancement. It's noteworthy that the 25-35 year-old cohort in the United States right now is less educated than the 35-45 year-old cohort. Students will need more advanced education and training to compete in the global marketplace. The bill is much improved by the adding of an appeals process, and a review panel for required action plans. Making adoption of the common core standards provisional is also an improvement.

(In support with concerns) The public universities are supportive of this bill, but there are a few areas of concern. Section 502 requires three community colleges to develop teacher preparation programs leading to a bachelor's degree. It is not cost effective to deliver academic teaching degrees through the community colleges. The four-year institutions already have two-plus-two programs that are highly effective. The institutions were asked to submit plans for how to expand the availability of math and science teachers, and those reports were delivered.

(Other) There are many other provisions in the bill to address teacher shortages that will be far more effective. The fiscal note likely underestimates the true cost of a community college trying to ramp up to offer an academic four-year degree plus certification. This represents a huge and expensive policy shift that has not been vetted through appropriate policy consideration. It is regrettable that the Seaquist amendment is being withdrawn.

(Opposed) None.

Persons Testifying: (In support) Lucinda Young, Washington Education Association; George Scarola, League of Education Voters and Excellent Schools Now; Lew McMurrin, Washington Technology Industry Association; Barbara Mertens, Washington Association of School Administrators; and Doug Nelson, Public School Employees of Washington–Service Employees International Union Local 1948.

(In support with concerns) Mike Reilly, Council of Presidents; and Mitch Denning, Alliance of Educational Associations.

(Other) Bob Cooper, Washington Association of Colleges for Teacher Education.

Persons Signed In To Testify But Not Testifying: None.