

HOUSE BILL REPORT

2SHB 1027

As Amended by Senate

Title: An act relating to redirecting resources to the classroom.

Brief Description: Redirecting school administrative resources to the classroom.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Brumsickle, Carlson, Cooke, Ballasiotes, B. Thomas, Chandler, Lisk, Horn, Foreman, Dyer, Sehlin, Silver, Sherstad, Benton, Schoesler, Buck, Johnson, Thompson, Radcliff, Hickel, Backlund, Cairnes, Elliot, Pennington, Mastin, Carrell, Mitchell, K. Schmidt, Chappell, Smith, Honeyford, Blanton, D. Schmidt, Mulliken, McMorris, Clements, Fuhrman, Sheldon, Huff, Mielke, Talcott and McMahan).

Brief History:

Committee Activity:

Education: 1/10/95, 1/19/95 [DPS];

Appropriations: 2/13/95, 2/16/95 [DP2S(w/o sub ED)].

Floor Activity:

Passed House: 2/27/95, 97-0.

Senate Amended.

HOUSE COMMITTEE ON EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Brumsickle, Chair; Elliot, Vice Chair; Johnson, Vice Chair; Cole, Ranking Minority Member; Clements; Dickerson; G. Fisher; Fuhrman; McMahan; Pelesky; Quall; Radcliff; Smith; Talcott; B. Thomas; Thompson and Veloria.

Staff: Robert Butts (786-7111).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report. The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Education. Signed by 28 members: Representatives Silver, Chairman; Clements, Vice Chairman; Huff, Vice Chairman; Pelesky, Vice Chairman; Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Basich; Beeksma; Brumsickle;

Carlson; Chappell; Cooke; Crouse; G. Fisher; Foreman; Hargrove; Hickel; Jacobsen; Lisk; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Talcott; Thibaudeau and Wolfe.

Staff: Jack Daray (786-7178).

Background:

State-level governance

There are three permanent state-level administrative agencies responsible for public school education policy and fiscal oversight. They include the:

- Office of the Superintendent of Public Instruction;
- State Board of Education; and
- Workforce Training and Education Coordinating Board.

In addition, the Commission on Student Learning was created to develop a student assessment and school accountability system, and Educational Service Districts provide services to school districts

OSPI

The Office of the Superintendent of Public Instruction (OSPI) has three major duties:

- Distributing and administering state and federal education funds;
- Gathering and reporting school information; and
- Providing technical assistance.

The agency currently has approximately 265 FTE staff. Of these, 165 are state funded (62 percent) and 100 are federally funded (38 percent). OSPI's 1993-95 biennial general fund agency budget is approximately \$22 million.

State Board of Education

The State Board of Education (SBE) is an 11-member board. Nine members are elected by the board of directors of school districts, one is chosen to represent private schools, and the Superintendent of Public Instruction is also a member. The SBE's major responsibilities include school construction policy, certification of teachers and other educators, approval of teacher preparation programs, basic education compliance, and minimum graduation requirements. The SBE has 4.5 staff plus certification personnel, and its 1993-95 biennial budget totalled \$800,000.

Workforce Training and Education Coordinating Board

The Workforce Training and Education Coordinating Board consists of nine members who represent business, labor, the Department of Employment Security, and education. Its primary purpose is to plan, coordinate, and monitor the state's training system. The board has approximately 30 staff, and its 1993-95 biennial agency

budget is approximately \$4 million. Approximately 90 percent of the board's budget is federally funded.

Commission on Student Learning

The Commission on Student Learning was created in 1992 to identify "essential academic learning requirements" and to develop student assessment and school accountability systems. The commission's 1993-95 biennial budget is \$5 million.

Educational Service Districts

There are nine Educational Service Districts (ESDs), which are to provide:

- cooperative and informational services to school districts,
- assist the SBE and OSPI, and
- provide services to school districts to assure equal educational opportunities.

Approximately \$10 million was appropriated for ESD operations from the state general fund for the 1993-95 biennium.

School District expenditures

School districts expend funds for the costs associated with teaching, teaching support, administration, food services, grounds care, utilities, transportation, data processing, and insurance. In the 1992-93 fiscal year, 68 percent of all district general funds were spent on teaching and teaching support, 7 percent was spent on central administration, and 6 percent on building administration (principals, assistant principals, support staff).

Summary of Bill:

Intent

The Legislature intends to:

- reduce state and school district central office administration expenses; and
- increase the financial resources used for teachers, teacher assistants, and other classroom support staff (including salaries and benefits), and for textbooks, supplies, and technology.

Reducing State-level Administrative Costs

The Joint Select Committee on Education Restructuring is to review the roles and responsibilities of:

- the Office of the Superintendent of Public Instruction;
- the State Board of Education;
- the Commission on Student Learning;
- the Workforce Training and Education Coordinating Board; and
- Educational Service Districts.

Prior to December 15, 1995, the select committee is to develop a recommendation to the Legislature for creating a revised state-level education governance system.

The new governance system is to:

- Focus on the improvement of student learning;
- result in a reduction of state-level administrative expenditures;
- provide technical assistance and leadership to school district staff and parents;
 - result in minimal regulatory oversight; and
- have clear lines of authority and accountability.

The select committee is also directed to continue its review of state laws that inhibit, or do not enhance, student learning, and report to the Legislature by December 15, 1995. After the 1996 Legislative Session, the committee, in cooperation with the State Board of Education, OSPI, and other interested parties, is to review administrative rules and make recommendations regarding what rules should be amended or repealed.

Reducing School District Administrative Costs

School districts are strongly encouraged to review school district expenditures, and to take actions that will increase the percentage of district funds that are used to support the classroom.

In order to assist school districts in this effort, the school district financial review program is created. The purpose of the program is to provide funding to school districts to conduct financial reviews and to develop strategies that will increase the amount of resources that are used in the classroom.

The program is to be administered by OSPI, or a contractor as designated by the superintendent. The superintendent, or contractor, shall establish application and approval requirements, and a minimum 50 percent match is to be required. Districts with enrollments larger than 500 students that expended less than two-thirds of their total general fund expenditures on teaching and teaching support shall receive priority in the allocation of funds.

School districts that receive grants are to identify what actions the district has taken, or plans to take, to increase classroom expenditures. A summary report is to be submitted to the Legislature by January 15, 1996.

The review process and grant program are to be repeated in 1997.

If funding for the bill is not provided in the operating budget, the bill will be null and void.

EFFECT OF SENATE AMENDMENT(S):

The due date of the governance review that is to be conducted by the Select Committee on Education Restructuring is delayed for one year. The review of

other education laws by the Select Committee is made discretionary. Provisions that would have required the Select Committee to review education rules are eliminated. The intent section is modified to reflect changes made in the bill.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Bill: The bill contains an emergency clause and takes effect on May 1, 1995, however the bill is null and void if not funded in the operating budget..

Testimony For: (Education) This is long overdue. School districts have too many administrators: the priority should be on textbooks, supplies, and technology. A 30 percent cut in administrative expenses is a reasonable target.

(Appropriations) In depth study so that spending patterns are clear to all.

Testimony Against: (Education) The original legislation creates an unfunded mandate on school districts, and would create more paperwork. If you are angry about high administrative expenses, be mad at school boards: don't pass legislation that would create another mandate.

(Appropriations) None.

Testified: (Education) Frank Deebach, Superintendent, ESD 114 (supports governance review); Candy Curl, State Board of Education (concerns); Walter Ball, Association of Washington School Principals (concerns); Lynn Harsh, Evergreen Foundation (supports concept); Ray Tobiason and Barbara Mertens, Washington Association of School Administrators (concerns); Chris Shardelman, citizen (pro); Lynn McKinnon, Public School Employees (supports concept); Judy Hartmann, Washington Education Association (supports concept); Bernie Rodgers, Superintendent, Adna School District; Carter Burns, citizen (supports); and Dwayne Slate, Washington State School Directors' Association (concerns).

(Appropriations) Representative Bill Brumsickle, prime sponsor; Dwayne Slate, Washington State School Directors' Association; and Barbara Mertens, Washington Association of School Administrators.

Votes on Final Passage:

Yeas 97; Excused 1

Excused: Schoesler