
HOUSE BILL 2792

State of Washington

63rd Legislature

2014 Regular Session

By Representatives Sullivan, Hunter, Freeman, Morrell, Walkinshaw, Ryu, Tarleton, Appleton, Jenkins, Lytton, Tharinger, Fey, Bergquist, Pollet, Reykdal, Van De Wege, Roberts, S. Hunt, and Carlyle

Read first time 02/26/14. Referred to Committee on Appropriations.

1 AN ACT Relating to implementing the state's education funding
2 obligation by increasing allocations to school districts, which include
3 materials, supplies, and operating costs, all-day kindergarten, and
4 class size reduction in kindergarten through third grade; amending RCW
5 28A.150.220, 28A.150.260, 28A.150.315, 28A.150.390, 28A.160.192, and
6 28A.230.090; adding a new section to chapter 28A.150 RCW; creating new
7 sections; providing an effective date; providing an expiration date;
8 and declaring an emergency.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 **Sec. 1.** RCW 28A.150.220 and 2013 2nd sp.s. c 9 s 2 are each
11 amended to read as follows:

12 (1) In order for students to have the opportunity to develop the
13 basic education knowledge and skills under RCW 28A.150.210, school
14 districts must provide instruction of sufficient quantity and quality
15 and give students the opportunity to complete graduation requirements
16 that are intended to prepare them for postsecondary education, gainful
17 employment, and citizenship. The program established under this
18 section shall be the minimum instructional program of basic education
19 offered by school districts.

1 (2) Each school district shall make available to students the
2 following minimum instructional offering each school year:

3 (a) For students enrolled in grades one through twelve, at least a
4 district-wide annual average of one thousand hours, which shall be
5 increased district-wide to at least one thousand eighty instructional
6 hours for students enrolled in each of grades seven through twelve and
7 at least one thousand instructional hours for students in each of
8 grades one through six (~~(according to an implementation schedule~~
9 ~~adopted by the legislature, but not before)) beginning with the 2014-15~~
10 school year; and

11 (b) For students enrolled in kindergarten, at least four hundred
12 fifty instructional hours, which shall be increased to at least one
13 thousand instructional hours according to the implementation schedule
14 under RCW 28A.150.315.

15 (3) The instructional program of basic education provided by each
16 school district shall include:

17 (a) Instruction in the essential academic learning requirements
18 under RCW 28A.655.070;

19 (b) Instruction that provides students the opportunity to complete
20 twenty-four credits for high school graduation(~~(, subject to a phased-~~
21 ~~in implementation of the twenty-four credits as established by the~~
22 ~~legislature)) beginning with the graduating class of 2019. Course~~
23 distribution requirements may be established by the state board of
24 education under RCW 28A.230.090;

25 (c) If the essential academic learning requirements include a
26 requirement of languages other than English, the requirement may be met
27 by students receiving instruction in one or more American Indian
28 languages;

29 (d) Supplemental instruction and services for underachieving
30 students through the learning assistance program under RCW 28A.165.005
31 through 28A.165.065;

32 (e) Supplemental instruction and services for eligible and enrolled
33 students and exited students whose primary language is other than
34 English through the transitional bilingual instruction program under
35 RCW 28A.180.010 through 28A.180.080;

36 (f) The opportunity for an appropriate education at public expense
37 as defined by RCW 28A.155.020 for all eligible students with
38 disabilities as defined in RCW 28A.155.020; and

1 (g) Programs for highly capable students under RCW 28A.185.010
2 through 28A.185.030.

3 (4) Nothing contained in this section shall be construed to require
4 individual students to attend school for any particular number of hours
5 per day or to take any particular courses.

6 (5)(a) Each school district's kindergarten through twelfth grade
7 basic educational program shall be accessible to all students who are
8 five years of age, as provided by RCW 28A.225.160, and less than
9 twenty-one years of age and shall consist of a minimum of one hundred
10 eighty school days per school year in such grades as are conducted by
11 a school district, and one hundred eighty half-days of instruction, or
12 equivalent, in kindergarten, to be increased to a minimum of one
13 hundred eighty school days per school year according to the
14 implementation schedule under RCW 28A.150.315. (~~However,~~)

15 (b) Schools administering the Washington kindergarten inventory of
16 developing skills may use up to three school days at the beginning of
17 the school year to meet with parents and families as required in the
18 parent involvement component of the inventory. (~~In addition,~~
19 ~~effective May 1, 1979~~)

20 (c) In the case of students who are graduating from high school, a
21 school district may schedule the last five school days of the one
22 hundred (~~and~~) eighty day school year for noninstructional purposes in
23 the case of students who are graduating from high school, including,
24 but not limited to, the observance of graduation and early release from
25 school upon the request of a student(~~,~~ ~~and~~). All such students may
26 be claimed as a full-time equivalent student to the extent they could
27 otherwise have been so claimed for the purposes of RCW 28A.150.250 and
28 28A.150.260. Any hours scheduled by a school district for
29 noninstructional purposes during the last five school days for such
30 students shall count toward the instructional hours requirement in
31 subsection (2)(a) of this section.

32 (6) Nothing in this section precludes a school district from
33 enriching the instructional program of basic education, such as
34 offering additional instruction or providing additional services,
35 programs, or activities that the school district determines to be
36 appropriate for the education of the school district's students.

37 (7) The state board of education shall adopt rules to implement and

1 ensure compliance with the program requirements imposed by this
2 section, RCW 28A.150.250 and 28A.150.260, and such related supplemental
3 program approval requirements as the state board may establish.

4 **Sec. 2.** RCW 28A.150.260 and 2011 1st sp.s. c 27 s 2 are each
5 amended to read as follows:

6 The purpose of this section is to provide for the allocation of
7 state funding that the legislature deems necessary to support school
8 districts in offering the minimum instructional program of basic
9 education under RCW 28A.150.220. The allocation shall be determined as
10 follows:

11 (1) The governor shall and the superintendent of public instruction
12 may recommend to the legislature a formula for the distribution of a
13 basic education instructional allocation for each common school
14 district.

15 (2) The distribution formula under this section shall be for
16 allocation purposes only. Except as may be required under chapter
17 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and
18 regulations, nothing in this section requires school districts to use
19 basic education instructional funds to implement a particular
20 instructional approach or service. Nothing in this section requires
21 school districts to maintain a particular classroom teacher-to-student
22 ratio or other staff-to-student ratio or to use allocated funds to pay
23 for particular types or classifications of staff. Nothing in this
24 section entitles an individual teacher to a particular teacher planning
25 period.

26 (3)(a) To the extent the technical details of the formula have been
27 adopted by the legislature and except when specifically provided as a
28 school district allocation, the distribution formula for the basic
29 education instructional allocation shall be based on minimum staffing
30 and nonstaff costs the legislature deems necessary to support
31 instruction and operations in prototypical schools serving high,
32 middle, and elementary school students as provided in this section.
33 The use of prototypical schools for the distribution formula does not
34 constitute legislative intent that schools should be operated or
35 structured in a similar fashion as the prototypes. Prototypical
36 schools illustrate the level of resources needed to operate a school of
37 a particular size with particular types and grade levels of students

1 using commonly understood terms and inputs, such as class size, hours
2 of instruction, and various categories of school staff. It is the
3 intent that the funding allocations to school districts be adjusted
4 from the school prototypes based on the actual number of annual average
5 full-time equivalent students in each grade level at each school in the
6 district and not based on the grade-level configuration of the school
7 to the extent that data is available. The allocations shall be further
8 adjusted from the school prototypes with minimum allocations for small
9 schools and to reflect other factors identified in the omnibus
10 appropriations act.

11 (b) For the purposes of this section, prototypical schools are
12 defined as follows:

13 (i) A prototypical high school has six hundred average annual full-
14 time equivalent students in grades nine through twelve;

15 (ii) A prototypical middle school has four hundred thirty-two
16 average annual full-time equivalent students in grades seven and eight;
17 and

18 (iii) A prototypical elementary school has four hundred average
19 annual full-time equivalent students in grades kindergarten through
20 six.

21 (4)(a) The minimum allocation for each level of prototypical school
22 shall be based on the number of full-time equivalent classroom teachers
23 needed to provide instruction over the minimum required annual
24 instructional hours under RCW 28A.150.220 and provide at least one
25 teacher planning period per school day, and based on the following
26 general education average class size of full-time equivalent students
27 per teacher:

	General education average class size
31 Grades K-3	25.23
32 Grade 4	27.00
33 Grades 5-6	27.00
34 Grades 7-8	28.53
35 Grades 9-12	28.74

36 (b) (~~During the 2011-2013 biennium and beginning with schools with~~
37 ~~the highest percentage of students eligible for free and reduced price~~
38 ~~meals in the prior~~) Beginning with allocations for the 2015-16 school

1 year, the general education average class size for grades K-3 shall be
2 reduced in equal annual increments from the allocation levels in (a) of
3 this subsection, and the general education average class size for
4 grades K-3 in high poverty schools where more than fifty percent of the
5 students were eligible for free and reduced-price meals in the prior
6 school year shall be reduced in equal annual increments from the 2014-
7 15 school year allocation levels, until the average class size funded
8 under this subsection (4) in all prototypical elementary schools is no
9 more than 17.0 full-time equivalent students per teacher ((beginning))
10 in the 2017-18 school year and thereafter.

11 (c) The minimum allocation for each prototypical middle and high
12 school shall also provide for full-time equivalent classroom teachers
13 based on the following number of full-time equivalent students per
14 teacher in career and technical education:

	Career and technical education average class size
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Approved career and technical education offered at the middle school and high school level	26.57
Skill center programs meeting the standards established by the office of the superintendent of public instruction	22.76

23 (d) In addition, the omnibus appropriations act shall at a minimum
24 specify:

25 (i) A high-poverty average class size in schools where more than
26 fifty percent of the students are eligible for free and reduced-price
27 meals, which may be in addition to the class size specified for grades
28 K-3 under (b) of this subsection; and

29 (ii) A specialty average class size for laboratory science,
30 advanced placement, and international baccalaureate courses.

31 (e) Beginning with the 2014-15 school year, the minimum allocation
32 for each prototypical middle school and high school shall provide
33 resources to support the increase in instructional hours required under
34 RCW 28A.150.220(2)(a), as specified in the omnibus appropriations act.

35 (5)(a) The minimum allocation for each level of prototypical school
36 shall include allocations for the following types of staff in addition
37 to classroom teachers:

	Elementary School	Middle School	High School
Principals, assistant principals, and other certificated building-level administrators	1.253	1.353	1.880
Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs	0.663	0.519	0.523
Health and social services:			
School nurses	0.076	0.060	0.096
Social workers	0.042	0.006	0.015
Psychologists	0.017	0.002	0.007
Guidance counselors, a function that includes parent outreach and graduation advising	0.493	((1.116)) <u>1.216</u>	((1.909)) <u>2.009</u>
Teaching assistance, including any aspect of educational instructional services provided by classified employees	0.936	0.700	0.652
Office support and other noninstructional aides	2.012	2.325	3.269
Custodians	1.657	1.942	2.965
Classified staff providing student and staff safety	0.079	0.092	0.141
((Parent involvement)) <u>Family engagement</u> coordinators	((0.00)) <u>0.083</u>	0.00	0.00

22 (b) Beginning with the 2015-16 school year, the minimum allocations
23 under this subsection (5) for family engagement coordinators in
24 prototypical elementary schools and for guidance counselors in
25 prototypical middle schools and high schools shall each be increased in
26 equal annual increments from the allocation levels provided in the
27 2014-15 school year until allocations of 0.50 family engagement
28 coordinators in prototypical elementary schools, 1.616 guidance
29 counselors in prototypical middle schools, and 2.409 guidance
30 counselors in prototypical high schools are provided in the 2017-18
31 school year and thereafter.

32 (6)(a) The minimum staffing allocation for each school district to
33 provide district-wide support services shall be allocated per one
34 thousand annual average full-time equivalent students in grades K-12 as
35 follows:

1		Staff per 1,000
2		K-12 students
3	Technology	0.628
4	Facilities, maintenance, and grounds	1.813
5	Warehouse, laborers, and mechanics	0.332

6 (b) The minimum allocation of staff units for each school district
7 to support certificated and classified staffing of central
8 administration shall be 5.30 percent of the staff units generated under
9 subsections (4)(a) (~~(and)~~), (b), and (e), and (5) of this section and
10 (a) of this subsection.

11 (7) The distribution formula shall include staffing allocations to
12 school districts for career and technical education and skill center
13 administrative and other school-level certificated staff, as specified
14 in the omnibus appropriations act.

15 (8)(a) Except as provided in (b) of this subsection, the minimum
16 allocation for each school district shall include allocations per
17 annual average full-time equivalent student for the following
18 materials, supplies, and operating costs, to be adjusted for inflation
19 from the 2008-09 school year:

20		Per annual average
21		full-time equivalent student
22		in grades K-12
23	Technology	\$54.43
24	Utilities and insurance	\$147.90
25	Curriculum and textbooks	\$58.44
26	Other supplies and library materials	\$124.07
27	Instructional professional development for certified and	
28	classified staff	\$9.04
29	Facilities maintenance	\$73.27
30	Security and central office	\$50.76

31 (b) During the 2011-2013 biennium, the minimum allocation for
32 maintenance, supplies, and operating costs shall be increased as
33 specified in the omnibus appropriations act. The following
34 allocations, adjusted for inflation from the 2007-08 school year, are
35 provided in the 2015-16 school year, after which the allocations shall
36 be adjusted annually for inflation as specified in the omnibus
37 appropriations act:

1		Per annual average
2		full-time equivalent student
3		in grades K-12
4	Technology	\$113.80
5	Utilities and insurance	\$309.21
6	Curriculum and textbooks	\$122.17
7	Other supplies and library materials	\$259.39
8	Instructional professional development for certificated and	
9	classified staff	\$18.89
10	Facilities maintenance	\$153.18
11	Security and central office administration	\$106.12

12 (9) In addition to the amounts provided in subsection (8) of this
13 section, the omnibus appropriations act shall provide an amount based
14 on full-time equivalent student enrollment in each of the following:

15 (a) Exploratory career and technical education courses for students
16 in grades seven through twelve;

17 (b) Laboratory science courses for students in grades nine through
18 twelve;

19 (c) Preparatory career and technical education courses for students
20 in grades nine through twelve offered in a high school; and

21 (d) Preparatory career and technical education courses for students
22 in grades eleven and twelve offered through a skill center.

23 (10) In addition to the allocations otherwise provided under this
24 section, amounts shall be provided to support the following programs
25 and services:

26 (a) To provide supplemental instruction and services for
27 underachieving students through the learning assistance program under
28 RCW 28A.165.005 through 28A.165.065, allocations shall be based on the
29 district percentage of students in grades K-12 who were eligible for
30 free or reduced-price meals in the prior school year. The minimum
31 allocation for each level of prototypical school for the program shall
32 provide (~~((for each level of prototypical school))~~) resources to provide,
33 on a statewide average, (~~((1.5156))~~) 2.3975 hours per week in extra
34 instruction with a class size of fifteen learning assistance program
35 students per teacher.

36 (b) To provide supplemental instruction and services for students
37 whose primary language is other than English, allocations shall be
38 based on the following:

1 (i)(A) The head count number of students in each school who are
2 eligible for and enrolled in the transitional bilingual instruction
3 program under RCW 28A.180.010 through 28A.180.080. The minimum
4 allocation for each level of prototypical school shall provide
5 resources to provide, on a statewide average, 4.7780 hours per week in
6 extra instruction with fifteen transitional bilingual instruction
7 program students per teacher. ((Notwithstanding other provisions of
8 this subsection (10), the actual per student allocation may be scaled
9 to provide a larger allocation for students needing more intensive
10 intervention and a commensurate reduced allocation for students needing
11 less intensive intervention, as detailed in the omnibus appropriations
12 act.)) Beginning with the 2015-16 school year, the minimum allocation
13 for students in grades seven and eight shall be increased in equal
14 annual increments until an allocation of 6.0 hours per week is provided
15 in the 2017-18 school year and thereafter. Also beginning with the
16 2015-16 school year, the minimum allocation for students in grades nine
17 through twelve shall be increased in equal annual increments until an
18 allocation of 8.0 hours per week is provided in the 2017-18 school year
19 and thereafter.

20 (B) The head count number of students in each school who have
21 exited the transitional bilingual instruction program within the
22 previous two years based on their performance on the English
23 proficiency assessment approved by the superintendent of public
24 instruction under RCW 28A.180.090. Beginning with the 2013-14 school
25 year, the minimum allocation under this subsection (10)(b)(i)(B) for
26 each level of prototypical school shall provide resources to provide,
27 on a statewide average, 3.0 hours per week in extra instruction with
28 fifteen exited transitional bilingual instruction program students per
29 teacher, based on students who exited within the previous school year.
30 Beginning with the 2014-15 school year and thereafter, the minimum
31 allocation shall be based on students who exited within the previous
32 two school years.

33 (ii) School districts may not receive allocations under both
34 (b)(i)(A) and (B) of this subsection for the same student in a single
35 school year.

36 (c) To provide additional allocations to support programs for
37 highly capable students under RCW 28A.185.010 through 28A.185.030,
38 allocations shall be based on two and three hundred fourteen one-

1 thousandths percent of each school district's full-time equivalent
2 basic education enrollment. The minimum allocation for the programs
3 shall provide resources to provide, on a statewide average, 2.1590
4 hours per week in extra instruction with fifteen highly capable program
5 students per teacher.

6 (11) The allocations under subsections (4)(a) (~~(and)~~), (b), and
7 (e), (5), (6), and (8) of this section shall be enhanced as provided
8 under RCW 28A.150.390 on an excess cost basis to provide supplemental
9 instructional resources for students with disabilities.

10 (12)(a) For the purposes of allocations for prototypical high
11 schools and middle schools under subsections (4) and (10) of this
12 section that are based on the percent of students in the school who are
13 eligible for free and reduced-price meals, the actual percent of such
14 students in a school shall be adjusted by a factor identified in the
15 omnibus appropriations act to reflect underreporting of free and
16 reduced-price meal eligibility among middle and high school students.

17 (b) Allocations or enhancements provided under subsections (4),
18 (7), and (9) of this section for exploratory and preparatory career and
19 technical education courses shall be provided only for courses approved
20 by the office of the superintendent of public instruction under chapter
21 28A.700 RCW.

22 (13)(a) This formula for distribution of basic education funds
23 shall be reviewed biennially by the superintendent and governor. The
24 recommended formula shall be subject to approval, amendment or
25 rejection by the legislature.

26 (b) In the event the legislature rejects the distribution formula
27 recommended by the governor, without adopting a new distribution
28 formula, the distribution formula for the previous school year shall
29 remain in effect.

30 (c) The enrollment of any district shall be the annual average
31 number of full-time equivalent students and part-time students as
32 provided in RCW 28A.150.350, enrolled on the first school day of each
33 month, including students who are in attendance pursuant to RCW
34 28A.335.160 and 28A.225.250 who do not reside within the servicing
35 school district. The definition of full-time equivalent student shall
36 be determined by rules of the superintendent of public instruction and
37 shall be included as part of the superintendent's biennial budget
38 request. The definition shall be based on the minimum instructional

1 hour offerings required under RCW 28A.150.220. Any revision of the
2 present definition shall not take effect until approved by the house
3 ways and means committee and the senate ways and means committee.

4 (d) The office of financial management shall make a monthly review
5 of the superintendent's reported full-time equivalent students in the
6 common schools in conjunction with RCW 43.62.050.

7 **Sec. 3.** RCW 28A.150.315 and 2012 c 51 s 1 are each amended to read
8 as follows:

9 (1) Beginning with the 2007-08 school year, funding for voluntary
10 all-day kindergarten programs (~~(shall)~~) must be phased-in beginning
11 with schools with the highest poverty levels, defined as those schools
12 with the highest percentages of students qualifying for free and
13 reduced-price lunch support in the prior school year. (~~During the~~
14 ~~2011-2013 biennium, funding shall continue to be phased in each year~~)
15 Beginning with the 2015-16 school year, funds shall be allocated to
16 increase the proportion of full-time equivalent kindergarten students
17 in state-funded all-day kindergarten programs in equal annual
18 increments until full statewide implementation of all-day kindergarten
19 is achieved in the 2017-18 school year and thereafter. Once a school
20 receives funding for the all-day kindergarten program, that school
21 shall remain eligible for funding in subsequent school years regardless
22 of changes in the school's percentage of students eligible for free and
23 reduced-price lunches as long as other program requirements are
24 fulfilled. Additionally, schools receiving all-day kindergarten
25 program support shall agree to the following conditions:

- 26 (a) Provide at least a one thousand-hour instructional program;
27 (b) Provide a curriculum that offers a rich, varied set of
28 experiences that assist students in:
29 (i) Developing initial skills in the academic areas of reading,
30 mathematics, and writing;
31 (ii) Developing a variety of communication skills;
32 (iii) Providing experiences in science, social studies, arts,
33 health and physical education, and a world language other than English;
34 (iv) Acquiring large and small motor skills;
35 (v) Acquiring social and emotional skills including successful
36 participation in learning activities as an individual and as part of a
37 group; and

1 (vi) Learning through hands-on experiences;

2 (c) Establish learning environments that are developmentally
3 appropriate and promote creativity;

4 (d) Demonstrate strong connections and communication with early
5 learning community providers; and

6 (e) Participate in kindergarten program readiness activities with
7 early learning providers and parents.

8 (2)(a) It is the intent of the legislature that administration of
9 the Washington kindergarten inventory of developing skills as required
10 in this subsection (2) and RCW 28A.655.080 replace administration of
11 other assessments being required by school districts or that other
12 assessments only be administered if they seek to obtain information not
13 covered by the Washington kindergarten inventory of developing skills.

14 (b) In addition to the requirements in subsection (1) of this
15 section and to the extent funds are available, beginning with the 2011-
16 12 school year on a voluntary basis, schools must identify the skills,
17 knowledge, and characteristics of kindergarten students at the
18 beginning of the school year in order to support social-emotional,
19 physical, and cognitive growth and development of individual children;
20 support early learning provider and parent involvement; and inform
21 instruction. Kindergarten teachers shall administer the Washington
22 kindergarten inventory of developing skills, as directed by the
23 superintendent of public instruction in consultation with the
24 department of early learning and in collaboration with the
25 nongovernmental private-public partnership designated in RCW
26 43.215.070, and report the results to the superintendent. The
27 superintendent shall share the results with the director of the
28 department of early learning.

29 (c) School districts shall provide an opportunity for parents and
30 guardians to excuse their children from participation in the Washington
31 kindergarten inventory of developing skills.

32 (3) Subject to funds appropriated for this purpose, the
33 superintendent of public instruction shall designate one or more school
34 districts to serve as resources and examples of best practices in
35 designing and operating a high-quality all-day kindergarten program.
36 Designated school districts shall serve as lighthouse programs and
37 provide technical assistance to other school districts in the initial
38 stages of implementing an all-day kindergarten program. Examples of

1 topics addressed by the technical assistance include strategic
2 planning, developing the instructional program and curriculum, working
3 with early learning providers to identify students and communicate with
4 parents, and developing kindergarten program readiness activities.

5 **Sec. 4.** RCW 28A.150.390 and 2010 c 236 s 3 are each amended to
6 read as follows:

7 (1) The superintendent of public instruction shall submit to each
8 regular session of the legislature during an odd-numbered year a
9 programmed budget request for special education programs for students
10 with disabilities. Funding for programs operated by local school
11 districts shall be on an excess cost basis from appropriations provided
12 by the legislature for special education programs for students with
13 disabilities and shall take account of state funds accruing through RCW
14 28A.150.260 (4)(a) (~~and~~), (b), and (e), (5), (6), and (8).

15 (2) The excess cost allocation to school districts shall be based
16 on the following:

17 (a) A district's annual average headcount enrollment of students
18 ages birth through four and those five year olds not yet enrolled in
19 kindergarten who are eligible for and enrolled in special education,
20 multiplied by the district's base allocation per full-time equivalent
21 student, multiplied by 1.15; and

22 (b) A district's annual average full-time equivalent basic
23 education enrollment, multiplied by the district's funded enrollment
24 percent, multiplied by the district's base allocation per full-time
25 equivalent student, multiplied by 0.9309.

26 (3) As used in this section:

27 (a) "Base allocation" means the total state allocation to all
28 schools in the district generated by the distribution formula under RCW
29 28A.150.260 (4)(a) (~~and~~), (b), and (e), (5), (6), and (8), to be
30 divided by the district's full-time equivalent enrollment.

31 (b) "Basic education enrollment" means enrollment of resident
32 students including nonresident students enrolled under RCW 28A.225.225
33 and students from nonhigh districts enrolled under RCW 28A.225.210 and
34 excluding students residing in another district enrolled as part of an
35 interdistrict cooperative program under RCW 28A.225.250.

36 (c) "Enrollment percent" means the district's resident special
37 education annual average enrollment, excluding students ages birth

1 through four and those five year olds not yet enrolled in kindergarten,
2 as a percent of the district's annual average full-time equivalent
3 basic education enrollment.

4 (d) "Funded enrollment percent" means the lesser of the district's
5 actual enrollment percent or twelve and seven-tenths percent.

6 NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.150
7 RCW to read as follows:

8 (1) Minimum salary allocations for state-funded classified and
9 certificated administrative staff positions allocated under RCW
10 28A.150.260 shall be calculated as provided in this section.

11 (2)(a) Beginning with the 2015-16 school year, the minimum standard
12 salary allocation for classified staff shall be increased in equal
13 annual increments until an allocation equal to the market rate salary
14 for classified staff, adjusted by inflation from the 2010-11 school
15 year, is provided in the 2017-18 school year and thereafter.

16 (b) Beginning with the 2015-16 school year, the minimum standard
17 salary allocation for certificated administrative staff shall be
18 increased in equal annual increments until an allocation equal to the
19 market rate salary for certificated administrative staff, adjusted by
20 inflation from the 2010-11 school year, is provided in the 2017-18
21 school year and thereafter.

22 (3) School districts whose grandfathered salary allocation exceeds
23 the standard salary allocation in any year shall receive the greater of
24 their grandfathered salary allocation or the standard salary allocation
25 as provided under this section.

26 (4) The salary allocations calculated under this section are
27 minimum allocations, which include salary increases provided under RCW
28 28A.400.205. The salaries calculated under this section are for
29 allocation purposes only.

30 (5) The definitions in this subsection apply throughout this
31 section.

32 (a) "Grandfathered salary allocation" means a state salary
33 allocation rate for classified or certificated administrative staff
34 provided to a school district that exceeds the standard salary
35 allocation.

36 (b) "Inflation" means the change in the consumer price index--

1 Seattle for urban wage earners and clerical workers, all items,
2 compiled by the bureau of labor statistics, United States department of
3 labor.

4 (c) "Market rate salary for classified staff" means the 2010 state
5 average predicted salary for comparable occupations to classified
6 staff, identified through a wage analysis submitted in April 2012 to
7 the compensation technical working group convened under chapter 548,
8 Laws of 2009, weighted by the distribution of school staff among the
9 occupational groupings considered in the analysis.

10 (d) "Market rate salary for certificated administrative staff"
11 means the 2010 state average prevailing salary for managerial
12 occupations comparable to school district administrators, identified
13 through a wage analysis submitted in April 2012 to the compensation
14 technical working group convened under chapter 548, Laws of 2009.

15 (e) "Standard salary allocation" means the state salary allocation
16 rate for classified or certificated administrative staff provided to
17 the majority of school districts.

18 **Sec. 6.** RCW 28A.160.192 and 2011 1st sp.s. c 27 s 3 are each
19 amended to read as follows:

20 (1) (~~The superintendent of public instruction shall phase in the~~
21 ~~implementation of~~) The distribution formula under this chapter for
22 allocating state funds to school districts for the transportation of
23 students to and from school(~~. The phase in shall begin no later than~~
24 ~~the 2011-2013 biennium and be fully implemented by the 2013-2015~~
25 ~~biennium.~~

26 ~~(a) The formula~~) must:

27 (a) Be developed and revised on an ongoing basis using the major
28 cost factors in student transportation, including basic and special
29 student loads, school district land area, average distance to school,
30 roadway miles, and number of locations served. Factors must include
31 all those site characteristics that are statistically significant after
32 analysis of the data required by the revised reporting process.

33 ~~(b) (The formula must)~~ Allocate funds to school districts based
34 on the average predicted costs of transporting students to and from
35 school, using a regression analysis. Only factors that are
36 statistically significant shall be used in the regression analysis.
37 Employee compensation costs included in the allowable transportation

1 expenditures used for the purpose of establishing each (~~school~~
2 ~~district's independent~~) variable in the regression analysis shall be
3 limited to the base salary or hourly wage rates, fringe benefit rates,
4 and (~~applicable health care~~) the insurance benefit allocation
5 rate(~~s~~) provided in the omnibus appropriations act.

6 (2) (~~During the phase-in period,~~) Funding provided to school
7 districts for student transportation operations shall be distributed on
8 the following basis:

9 (a) Annually, each school district shall receive the lesser of the
10 (~~previous school year's pupil transportation operations allocation~~)
11 expected cost as predicted by the regression analysis under subsection
12 (1)(b) of this section, or the total of allowable pupil transportation
13 expenditures identified on the previous school year's final expenditure
14 report to the state plus district indirect expenses using the federal
15 restricted indirect rate as calculated in the district annual financial
16 report;

17 (b) Annually, the amount identified in (a) of this subsection shall
18 be adjusted for any budgeted (~~increases~~) changes provided in the
19 omnibus appropriations act for salaries (~~or~~), fringe benefits, and
20 the insurance benefit allocation rate; and

21 (~~(c) (Annually, any funds appropriated by the legislature in excess~~
22 ~~of the maintenance level funding amount for student transportation~~
23 ~~shall be distributed among school districts on a prorated basis using~~
24 ~~the difference between the amount identified in (a) adjusted by (b) of~~
25 ~~this subsection and the amount determined under the formula in RCW~~
26 ~~28A.160.180; and~~

27 ~~(d)~~) Allocations provided to recognize the cost of depreciation to
28 districts contracting with private carriers for student transportation
29 shall be deducted from the allowable transportation expenditures in (a)
30 of this subsection.

31 **Sec. 7.** RCW 28A.230.090 and 2011 c 203 s 2 are each amended to
32 read as follows:

33 (1) The state board of education shall establish high school
34 graduation requirements or equivalencies for students, except as
35 provided in RCW 28A.230.122 and except those equivalencies established
36 by local high schools or school districts under RCW 28A.230.097. The

1 purpose of a high school diploma is to declare that a student is ready
2 for success in postsecondary education, gainful employment, and
3 citizenship, and is equipped with the skills to be a lifelong learner.

4 (a) Any course in Washington state history and government used to
5 fulfill high school graduation requirements shall consider including
6 information on the culture, history, and government of the American
7 Indian peoples who were the first inhabitants of the state.

8 (b) The certificate of academic achievement requirements under RCW
9 28A.655.061 or the certificate of individual achievement requirements
10 under RCW 28A.155.045 are required for graduation from a public high
11 school but are not the only requirements for graduation.

12 (c) Any decision on whether a student has met the state board's
13 high school graduation requirements for a high school and beyond plan
14 shall remain at the local level.

15 (2)(a) In recognition of the statutory authority of the state board
16 of education to establish and enforce minimum high school graduation
17 requirements, the state board shall periodically reevaluate the
18 graduation requirements and shall report such findings to the
19 legislature in a timely manner as determined by the state board.

20 (b) The state board shall reevaluate the graduation requirements
21 for students enrolled in vocationally intensive and rigorous career and
22 technical education programs, particularly those programs that lead to
23 a certificate or credential that is state or nationally recognized.
24 The purpose of the evaluation is to ensure that students enrolled in
25 these programs have sufficient opportunity to earn a certificate of
26 academic achievement, complete the program and earn the program's
27 certificate or credential, and complete other state and local
28 graduation requirements.

29 (c) The state board shall forward any proposed changes to the high
30 school graduation requirements to the education committees of the
31 legislature for review and to the quality education council established
32 under RCW 28A.290.010. The legislature shall have the opportunity to
33 act during a regular legislative session before the changes are adopted
34 through administrative rule by the state board. Changes that have a
35 fiscal impact on school districts, as identified by a fiscal analysis
36 prepared by the office of the superintendent of public instruction,
37 shall take effect only if formally authorized and funded by the

1 legislature through the omnibus appropriations act or other enacted
2 legislation.

3 (d) The state board of education shall adopt rules to implement the
4 career and college ready graduation requirement proposal adopted under
5 board resolution on November 10, 2010, and revised on January 9, 2014,
6 to take effect beginning with the graduating class of 2019.

7 (3) Pursuant to any requirement for instruction in languages other
8 than English established by the state board of education or a local
9 school district, or both, for purposes of high school graduation,
10 students who receive instruction in American sign language or one or
11 more American Indian languages shall be considered to have satisfied
12 the state or local school district graduation requirement for
13 instruction in one or more languages other than English.

14 (4) If requested by the student and his or her family, a student
15 who has completed high school courses before attending high school
16 shall be given high school credit which shall be applied to fulfilling
17 high school graduation requirements if:

18 (a) The course was taken with high school students, if the academic
19 level of the course exceeds the requirements for seventh and eighth
20 grade classes, and the student has successfully passed by completing
21 the same course requirements and examinations as the high school
22 students enrolled in the class; or

23 (b) The academic level of the course exceeds the requirements for
24 seventh and eighth grade classes and the course would qualify for high
25 school credit, because the course is similar or equivalent to a course
26 offered at a high school in the district as determined by the school
27 district board of directors.

28 (5) Students who have taken and successfully completed high school
29 courses under the circumstances in subsection (4) of this section shall
30 not be required to take an additional competency examination or perform
31 any other additional assignment to receive credit.

32 (6) At the college or university level, five quarter or three
33 semester hours equals one high school credit.

34 NEW SECTION. Sec. 8. (1) A joint task force on local education
35 financing reform is established with the following members:

36 (a) Four members from the house of representatives, two from each
37 major caucus, appointed by the speaker of the house of representatives;

1 (b) Four members from the senate, two from each major caucus,
2 appointed by the majority leader and minority leader of the major
3 caucuses of the senate;

4 (c) The governor or the governor's designee; and

5 (d) The superintendent of public instruction or the
6 superintendent's a designee.

7 (2) Appointments to the task force shall be completed within thirty
8 days of the effective date of this section.

9 (3) The task force shall be cochaired by one member of the house of
10 representatives and one member of the senate, selected by the members
11 of the task force.

12 (4) The task force shall:

13 (a) Review the work of the levy and local effort assistance
14 technical working group created in accordance with chapter 548, Laws of
15 2009, and amended by chapter 236, Laws of 2010, and other relevant
16 studies and information;

17 (b) Review the use of local levies by school districts, including
18 the level of funding and how the funding is used by school districts;

19 (c) Review issues related to various aspects of the local levy
20 process, including school district levy authority, the determination of
21 the levy base, the different levy lids, levy equalization, school
22 choice to use excess levies rather than regular levies, and other voter
23 approval strategies available to school districts;

24 (d) Review issues related to the small school factor in state
25 funding formulas;

26 (e) Review the work of the compensation technical working group
27 created in accordance with chapter 548, Laws of 2009, and amended by
28 chapter 236, Laws of 2010, and other relevant studies and information
29 as they relate to salary grandfathering and regional compensation
30 differences in state funding formulas;

31 (f) Review issues related to grandfathered base salary allocations
32 for certificated instructional staff in state funding formulas;

33 (g) Review options for addressing regional labor market differences
34 in state funding formulas; and

35 (h) Recommend approaches in a report to the governor and the
36 legislature to address a system for state and local funds that are
37 distributed in a manner that provides all children with the opportunity

1 to meet the state's academic standards and become prepared for
2 postsecondary careers and education, and that provides compensation
3 allocations that are adequate to hire and retain competent teachers.

4 (5) Findings and recommendations from the task force shall be
5 reported to fiscal committees of the legislature by December 20, 2014.

6 (6) Staff and logistical support for the task force must be
7 provided by the house of representatives office of program research and
8 senate committee services, with assistance as necessary from the office
9 of financial management and the office of the superintendent of public
10 instruction. The first meeting of the task force shall be convened by
11 the house of representatives office of program research and senate
12 committee services within forty-five days of the effective date of this
13 section.

14 (7) Members of the task force shall be reimbursed for travel
15 expenses as provided in RCW 44.04.120.

16 (8) This section expires June 30, 2015.

17 NEW SECTION. **Sec. 9.** Sections 2 through 6 of this act take effect
18 September 1, 2014.

19 NEW SECTION. **Sec. 10.** Section 8 of this act is necessary for the
20 immediate preservation of the public peace, health, or safety, or
21 support of the state government and its existing public institutions,
22 and takes effect immediately.

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