SENATE BILL 6397

State of Washington 65th Legislature 2018 Regular Session

By Senators Hunt, Wellman, Kuderer, Liias, Chase, Conway, Keiser, and Saldaña

Read first time 01/15/18. Referred to Committee on Early Learning & K-12 Education.

AN ACT Relating to public schools; amending RCW 28A.150.410, 1 2 28A.150.412, 84.52.053, 84.52.0531, 28A.400.200, 28A.500.015, 3 84.52.054, 84.52.065, 28A.320.330, 84.55.010, 28A.150.260, 4 28A.400.007, 28A.165.055, 28A.510.250, 28A.510.250, 28A.150.276, 5 41.56.800, 41.59.800, 28A.400.006, 41.56.907, and 41.59.937; creating new sections; repealing RCW 28A.415.020, 28A.415.023, 28A.415.024, б 7 41.56.800, 41.59.800, and 28A.400.006; providing effective dates; and 8 providing an expiration date.

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

10 Sec. 1. The legislature recognizes the state must NEW SECTION. 11 provide education funding that corresponds to the cost of providing all students with the opportunity to learn statewide through the 12 13 state's statutory program of basic education. The legislature 14 recognizes based on input from school districts, as they attempt to implement the major education funding reforms contained within 15 16 Engrossed House Bill No. 2242 (chapter 13, Laws of 2017 3rd sp. 17 sess.), changes to the initial policies will be needed to ensure the enacted policies do not negatively impact school districts or their 18 employees and can be carried out as intended. The legislature also 19 recognizes that the state supreme court ruled in their McCleary et 20 21 al. v. state of Washington November 2017 order, the state is not on 1 track to meet the September 1, 2018, deadline to fully implement its 2 program of basic education. Therefore, the legislature intends to 3 make changes to these education funding reforms to comply with the 4 supreme court's order, to incorporate changes needed for school 5 districts to implement previously enacted reforms, and to ensure 6 equitable educational opportunities for students statewide.

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PART I COMPENSATION

9 Sec. 101. RCW 28A.150.410 and 2017 3rd sp.s. c 13 s 101 are each 10 amended to read as follows:

(1) Through the 2017-18 school year, the legislature shall 11 12 establish for each school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only, to be used 13 14 to distribute funds for basic education certificated instructional 15 staff salaries under RCW 28A.150.260. For the purposes of this section, the staff allocations for classroom teachers, teacher-16 librarians, guidance counselors, and student health services staff 17 under RCW 28A.150.260 are considered allocations for certificated 18 19 instructional staff.

20 (2) Through the 2017-18 school year, salary allocations for 21 state-funded basic education certificated instructional staff shall 22 be calculated by the superintendent of public instruction by 23 determining the district's average salary for certificated 24 instructional staff, using the statewide salary allocation schedule 25 and related documents, conditions, and limitations established by the 26 omnibus appropriations act.

(3) Through the 2017-18 school year, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:

33 (a) The employee has a master's degree; or

34 (b) The credits were used in generating state salary allocations35 before January 1, 1992.

36 (4) Beginning in the 2007-08 school year and through the 2017-18
 37 school year, the calculation of years of service for occupational
 38 therapists, physical therapists, speech-language pathologists,

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1 audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 RCW may include experience in schools and 2 3 other nonschool positions as occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, 4 social workers, counselors, or psychologists. The calculation shall 5 б be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two 7 years of nonschool service. Nonschool years of service included in 8 calculations under this subsection shall not be applied to service 9 credit totals for purposes of any retirement benefit under chapter 10 41.32, 41.35, or 41.40 RCW, or any other state retirement system 11 12 benefits.

(5) By the 2019-20 school year, the minimum state allocation for salaries for certificated instructional staff in the basic education program must be increased beginning in the 2018-19 school year to provide a statewide average allocation of sixty-four thousand dollars adjusted for inflation from the 2017-18 school year.

18 (6) By the 2019-20 school year, the minimum state allocation for 19 salaries for certificated administrative staff in the basic education 20 program must be increased beginning in the 2018-19 school year to 21 provide a statewide average allocation of ninety-five thousand 22 dollars adjusted for inflation from the 2017-18 school year.

(7) By the 2019-20 school year, the minimum state allocation for salaries for classified staff in the basic education program must be increased beginning in the 2018-19 school year to provide a statewide average allocation of forty-five thousand nine hundred twelve dollars adjusted by inflation from the 2017-18 school year.

28 То implement the new minimum salary allocations (8) in 29 subsections (5) through (7) of this section, the legislature must fund ((fifty percent of the increased salary allocation in the 30 31 2018-19 school year and)) the entire increased salary allocation in 32 the 2019-20 school year. For school year 2018-19, a district's minimum state allocation for salaries is the greater of the 33 district's 2017-18 state salary allocation, adjusted for inflation, 34 or the district's allocation based on the state salary level 35 specified in subsections (5) through (7) of this section, and as 36 further specified in the omnibus appropriations act. 37

38 (9) Beginning with the 2018-19 school year, state allocations for 39 salaries for certificated instructional staff, certificated 40 administrative staff, and classified staff must be adjusted for 1 regional differences in the cost of hiring staff. Adjustments for regional differences must be specified in the omnibus appropriations 2 act for each school year through at least school year 2022-23. For 3 school years 2018-19 through school year 2022-23, the school district 4 regionalization factors are based on the median single-family 5 6 residential value of each school district and proximate school 7 district median single-family residential value as described in RCW 28A.150.412. 8

9 (10) <u>Beginning in the 2018-19 school year, state salary</u> 10 <u>allocations for certificated instructional staff in school districts</u> 11 <u>in which the total certificated instructional staff median experience</u> 12 <u>and average ratio of bachelor's degrees to advanced degrees exceeds</u> 13 <u>the statewide averages must be increased by an eight percent</u> 14 <u>experience mix adjustment.</u>

(11) Beginning with the 2023-24 school year and every six years 15 16 thereafter, the minimum state salary allocations and school district 17 regionalization factors for certificated instructional staff, 18 certificated ((administration [administrative])) administrative 19 staff, and classified staff must be reviewed and rebased, as provided under RCW 28A.150.412, to ensure that state salary allocations 20 continue to align with staffing costs for the state's program of 21 22 basic education.

23 (12) The office of the superintendent of public instruction must 24 allocate the greater of the following:

25 (a) The derived salary allocations for the current school year
26 provided in the omnibus appropriations act; or

27 (b) The derived salary allocations for school year 2017-18 28 increased annually by inflation.

29 (13) For the purposes of this section, "inflation" means the 30 annual percentage change of the previous calendar year's annual 31 change in the implicit price deflator for personal consumption 32 expenditure for the United States as published by the bureau of 33 economic analysis of the federal department of commerce.

34 Sec. 102. RCW 28A.400.200 and 2017 3rd sp.s. c 13 s 103 are each 35 amended to read as follows:

(1) Every school district board of directors shall fix, alter,
 allow, and order paid salaries and compensation for all district
 employees in conformance with this section.

1 (2)(a) Through the 2017-18 school year, salaries for certificated 2 instructional staff shall not be less than the salary provided in the 3 appropriations act in the statewide salary allocation schedule for an 4 employee with a baccalaureate degree and zero years of service;

5 (b) Salaries for certificated instructional staff with a master's 6 degree shall not be less than the salary provided in the 7 appropriations act in the statewide salary allocation schedule for an 8 employee with a master's degree and zero years of service; and

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(c) Beginning with the 2019-20 school year:

(i) Salaries for full-time certificated instructional staff must not be less than forty thousand dollars, to be adjusted for regional differences in the cost of hiring staff as specified in RCW 28A.150.410, and to be adjusted annually by the same inflationary measure as provided in RCW 28A.400.205;

(ii) Salaries for full-time certificated instructional staff with at least five years of experience must exceed by at least ten percent the value specified in (c)(i) of this subsection;

18 (iii) A district may not pay full-time certificated instructional 19 staff a salary that exceeds ninety thousand dollars, subject to 20 adjustment for regional differences in the cost of hiring staff as 21 specified in RCW 28A.150.410. This maximum salary is adjusted 22 annually by the inflationary measure in RCW 28A.400.205;

(iv) These minimum and maximum salaries apply to the services provided as part of the state's statutory program of basic education and exclude supplemental contracts for additional time, responsibility, or incentive pursuant to this section or for enrichment pursuant to RCW 28A.150.276;

(v) A district may pay a salary that exceeds this maximum salary by up to ten percent for full-time certificated instructional staff: Who are educational staff associates; who teach in the subjects of science, technology, engineering, or math; or who teach in the transitional bilingual instruction or special education programs.

(3)(a)(i) Through the 2017-18 school year the actual average salary paid to certificated instructional staff shall not exceed the district's average certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to RCW 28A.150.410.

(ii) For the 2018-19 school year, salaries for certificated
 instructional staff are subject to the limitations in RCW 41.59.800.

1 (iii) Beginning with the 2019-20 school year, for purposes of 2 subsection (4) of this section, RCW 28A.150.276, and 28A.505.100, 3 each school district must annually identify the actual salary paid to 4 each certificated instructional staff for services rendered as part 5 of the state's program of basic education.

б (b) Through the 2018-19 school year, fringe benefit contributions for certificated instructional staff shall be included as salary 7 under (a)(i) of this subsection only to the extent that the 8 district's actual average benefit contribution exceeds the amount of 9 10 insurance benefits allocation, less the amount remitted by the 11 districts to the health care authority for retiree subsidies, 12 provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation 13 is payable. For purposes of this section, fringe benefits shall not 14 include payment for unused leave for illness or injury under RCW 15 16 28A.400.210; employer contributions for old age survivors insurance, 17 compensation, unemployment compensation, and retirement workers' benefits under the Washington state retirement system; or employer 18 contributions for health benefits in excess of the insurance benefits 19 allocation provided per certificated instructional staff unit in the 20 state operating appropriations act in effect at the time the 21 22 compensation is payable. A school district may not use state funds to provide employer contributions for such excess health benefits. 23

(c) Salary and benefits for certificated instructional staff in
 programs other than basic education shall be consistent with the
 salary and benefits paid to certificated instructional staff in the
 basic education program.

28 (4)(a) Salaries and benefits for certificated instructional staff 29 may exceed the limitations in subsection (3) of this section only by contract for additional time, for 30 separate additional 31 responsibilities, or for incentives. Supplemental contracts shall not 32 cause the state to incur any present or future funding obligation. Supplemental contracts must be accounted for by a school district 33 when the district is developing its four-year budget plan under RCW 34 28A.505.040. 35

(b) Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380. No district may enter into a supplemental contract under

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1 this subsection for the provision of services which are a part of the basic education program required by Article IX, section 1 of the 2 state Constitution and RCW 28A.150.220. Beginning September 1, 2019, 3 supplemental contracts for certificated instructional staff are 4 subject to the following additional restrictions: School districts 5 б may enter into supplemental contracts only for enrichment activities as defined in and subject to the limitations of RCW 28A.150.276. The 7 rate the district pays under a <u>time-based</u> supplemental contract may 8 not exceed the hourly rate provided to that same instructional staff 9 for services under the basic education salary identified pursuant to 10 11 subsection (3)(a)(iii) of this section. Nothing in this section prohibits school districts from providing overtime payments for time 12 worked outside the employee's normal schedule. 13

14 (5) Employee benefit plans offered by any district shall comply
15 with RCW 28A.400.350, 28A.400.275, and 28A.400.280.

16 Sec. 103. RCW 28A.150.412 and 2017 3rd sp.s. c 13 s 104 are each 17 amended to read as follows:

18 (1) Beginning with the 2023 regular legislative session, and every six years thereafter, the legislature shall review and rebase 19 20 state basic education compensation allocations compared to school district compensation data, regionalization factors, and other 21 economic information as provided in this section. The legislature 22 shall revise the minimum allocations and regionalization factors if 23 24 necessary to ensure that state basic education allocations continue to provide market-rate salaries and that regionalization adjustments 25 reflect actual economic differences between school districts. 26

(2)(a) For school districts with single-family residential values
 above the statewide median residential value, regionalization factors
 for school years 2018-19 through school year 2022-23 are as follows:

30 (i) For school districts in tercile 1, state salary allocations31 for school district employees are regionalized by six percent;

32 (ii) For school districts in tercile 2, state salary allocations 33 for school district employees are regionalized by twelve percent; 34 ((and))

35 (iii) For school districts in tercile 3, state salary allocations 36 for school district employees are regionalized by eighteen percent<u>;</u> 37 <u>and</u>

38 <u>(iv) For school districts sharing a boundary with a school</u>
39 <u>district receiving a higher regionalization factor, state salary</u>

allocations for school district employees are increased by half of
 the difference of the higher regionalized shared boundary school
 district and the school district.

(b) Additional school district adjustments are identified in the 4 omnibus appropriations act, and these adjustments are partially 5 б reduced or eliminated by the 2022-23 school year as follows: (((i)))These additional adjustments that increase the regionalization factor 7 to a value that is greater than ((the tercile 3 regionalization 8 factor)) specified in (a) of this subsection must be reduced by 9 ((two)) one percentage point((s)) each school year beginning with 10 school year 2020-21, through 2022-23. 11

12 (((ii) Adjustments that increase the regionalization factor to a 13 value that is less than or equal to the tercile 3 regionalization 14 factor must be reduced by one percentage point each school year 15 beginning with school year 2020-21, through 2022-23.))

16 (3) ((To aid the legislature in reviewing and rebasing 17 regionalization factors,)) The department of revenue shall, by 18 November 1, 2022, and by November 1st every six years thereafter, 19 determine the median single-family residential value of each school 20 district as well as the median value of proximate districts within 21 fifteen miles of the boundary of the school district for which the 22 median residential value is being calculated.

(4) No district may receive less state funding for the minimum state salary allocation as compared to its prior school year salary allocation as a result of adjustments that reflect updated regionalized salaries.

(5)(a) By July 1, 2022, and every six years thereafter, the office of financial management must convene a technical working group on school employee salaries. The working group shall consist of one member selected by the executive head or the executive head's designee of the following:

(i) The office of financial management;

| 33 | <u>(ii)</u> | The | legislative | evaluation | and | accountability | program |
|----|-------------------|-----|-------------|------------|-----|----------------|---------|
| 34 | <u>committee;</u> | | | | | | |

35 <u>(iii) The ways and means committee of the senate;</u>

36 <u>(iv) The appropriations committee of the house of</u> 37 representatives;

38 (v) The office of the superintendent of public instruction;

39 <u>(vi) The employment security department;</u>

40 <u>(vii) The department of revenue;</u>

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- 1 (viii) A professional organization representing the majority of
- 2 <u>certificated instructional staff;</u>
- 3 <u>(ix) A professional organization representing classified staff;</u>
- 4 (x) An association representing school boards; and
- 5 (xi) An association representing school administrators.

6 (b) The employment security department shall make available to 7 the working group the information necessary to determine the 8 comparable occupations and wages for each K-12 job category in RCW 9 28A.150.260. The technical working group must use this data and data 10 from subsection (3) of this section to make recommendations to ensure 11 that state salary allocations continue to align with staffing costs 12 for the state's program of basic education.

13 (c) The office of financial management shall report the technical 14 working group's determinations and recommendations for changes to the 15 state's basic education employee salaries necessary to hire and 16 retain qualified staff to the school employee salary council created 17 in subsection (6) of this section.

- 18 (d) The initial report of this working group must include 19 recommendations for the following:
- 20 <u>(i) Hedonic wage adjustments intended to recruit staff in school</u>
 21 <u>districts across the state;</u>
- 22 (ii) Policies to mitigate retention impacts created by the border
 23 effects created by the regionalization factors; and
- (iii) Adjustments to regionalization factors by including out-of state property valuations for school districts with limited
 residential housing available for K-12 staff within the district.
- 27 (6)(a) The school employee salary council is created to review
 28 the work of the technical working group and submit recommendations to
 29 the governor and the legislature.
- 30 (b) The school employee salary council consists of the following 31 members:
- 32 (i) The director of financial management or the director's 33 designee;
- 34 (ii) The chair and ranking minority member of the senate ways and 35 means committee or their designees;
- 36 (iii) The chair and ranking minority member of the house of 37 representatives appropriations committee or their designees; and
- 38 <u>(iv) The superintendent of public instruction or the</u> 39 <u>superintendent's designee.</u>

1 (7) The recommendations of the school employee salary council 2 regarding basic education school salary allocations shall take effect 3 in the ensuing biennial period, subject to any legislative 4 modifications and final legislative approval, beginning in the 5 2023-24 school year and thereafter.

6 (8) The definitions in this subsection apply throughout this 7 section unless the context clearly requires otherwise.

8 (a) "Median residential value of each school district" means the 9 median value of all single-family residential parcels included within 10 a school district and any other school district that is proximate to 11 the school district.

(b) "Proximate to the school district" means within fifteen miles of the boundary of the school district for which the median residential value is being calculated.

15 (c) "School district employees" means state-funded certificated 16 instructional staff, certificated administrative staff, and 17 classified staff.

18 (d) "School districts in tercile 1" means school districts with 19 median single-family residential values in the first tercile of 20 districts with single-family residential values above the statewide 21 median residential value.

(e) "School districts in tercile 2" means school districts with median single-family residential values in the second tercile of districts with single-family residential values above the statewide median residential value.

(f) "School districts in tercile 3" means school districts with median single-family residential values in the third tercile of districts with single-family residential values above the statewide median residential value.

30 (g) "Statewide median residential value" means the median value 31 of single-family residential parcels located within all school 32 districts, reduced by five percent.

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PART II LEVIES

35 **Sec. 201.** RCW 84.52.053 and 2017 3rd sp.s. c 13 s 201 are each 36 amended to read as follows:

37 (1) The limitations imposed by RCW 84.52.050 through 84.52.056,
38 and 84.52.043 shall not prevent the levy of taxes by school

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1 districts, when authorized so to do by the voters of such school district in the manner and for the purposes and number of years 2 allowable under Article VII, section 2(a) and Article IX, section 1 3 of the Constitution of this state. Elections for such taxes shall be 4 held in the year in which the levy is made or, in the case of 5 б propositions authorizing two-year through four-year levies for enrichment funding for a school district, authorizing two-year levies 7 for transportation vehicle funds established in RCW 28A.160.130 8 ((through calendar year 2019, authorizing two-year levies for 9 transportation vehicle enrichment beginning with calendar year 10 11 $2020_{,}$)) or authorizing two-year through six-year levies to support the construction, modernization, or remodeling of school facilities, 12 which includes the purposes of RCW 28A.320.330(2) (f) and (g), in the 13 year in which the first annual levy is made. 14

15 (2)(a) Once additional tax levies have been authorized for 16 enrichment funding for a school district for a two-year through four-17 year period as provided under subsection (1) of this section, no 18 further additional tax levies for enrichment funding for the district 19 for that period may be authorized, except for additional levies to 20 provide for subsequently enacted increases affecting the district's 21 maximum levy.

(b) Notwithstanding (a) of this subsection, any school district that is required to annex or receive territory pursuant to a dissolution of a financially insolvent school district pursuant to RCW 28A.315.225 may call either a replacement or supplemental levy election within the school district, including the territory annexed or transferred, as follows:

(i) An election for a proposition authorizing two-year through four-year levies for enrichment funding for a school district may be called and held before the effective date of dissolution to replace existing enrichment levies and to provide for increases due to the dissolution.

(ii) An election for a proposition authorizing additional tax
 levies may be called and held before the effective date of
 dissolution to provide for increases due to the dissolution.

36 (iii) In the event a replacement levy election under (b)(i) of 37 this subsection is held but does not pass, the affected school 38 district may subsequently hold a supplemental levy election pursuant 39 to (b)(ii) of this subsection if the supplemental levy election is 40 held before the effective date of dissolution. In the event a supplemental levy election is held under (b)(ii) of this subsection but does not pass, the affected school district may subsequently hold a replacement levy election pursuant to (b)(i) of this subsection if the replacement levy election is held before the effective date of dissolution. Failure of a replacement levy or supplemental levy election does not affect any previously approved and existing enrichment levy within the affected school district or districts.

8 (c) For the purpose of applying the limitation of this subsection 9 (2), a two-year through six-year levy to support the construction, 10 modernization, or remodeling of school facilities shall not be deemed 11 to be a tax levy for enrichment funding for a school district.

(3) A special election may be called and the time therefor fixed by the board of school directors, by giving notice thereof by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "yes" and those opposed thereto to vote "no."

19 (4)(a) Beginning September 1, 2019, school districts may use 20 enrichment levies ((and transportation vehicle enrichment levies)) 21 solely to enrich the state's statutory program of basic education as 22 authorized under RCW 28A.150.276.

(b) Beginning with propositions for enrichment levies ((and transportation vehicle enrichment levies)) for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan from the superintendent of public instruction under RCW 28A.505.240 before submission of the proposition to the voters.

29 Sec. 202. RCW 84.52.0531 and 2017 3rd sp.s. c 13 s 203 are each 30 amended to read as follows:

(1) Beginning with taxes levied for collection in 2019, the maximum dollar amount which may be levied by or for any school district for enrichment levies under RCW 84.52.053 is <u>either:</u>

34 <u>(a) Equal</u> to the lesser of one dollar and fifty cents per 35 thousand dollars of the assessed value of property in the school 36 district or the maximum per-pupil limit; or

37 (b) For school districts with less than one thousand average
 38 annual resident full-time equivalent student enrollments, one dollar

and fifty cents per thousand dollars of the assessed value of
 property in the school district.

3 (2) The definitions in this subsection apply to this section4 unless the context clearly requires otherwise.

5 (a) "Inflation" means ((inflation as defined in RCW 84.55.005)) 6 the three-year average of the annual change in percentage of the 7 total statewide assessed property valuations not adjusted by the 8 ratio specified in RCW 84.48.075 (county indicated ratio) as 9 published electronically by the department of revenue on an annual 10 basis.

11 (b) "Maximum per-pupil limit" means ((two)) three thousand ((five 12 hundred)) dollars, multiplied by the number of average annual resident full-time equivalent students enrolled in the school 13 district in the prior school year. Beginning with property taxes 14 levied for collection in 2020, the maximum per-pupil limit shall be 15 16 increased annually by inflation each year from collection year 2018 17 and the percentage of increase in state basic education funding per average annual full-time equivalent student between the prior school 18 19 year and the current school year.

(c) "Prior school year" means the most recent school yearcompleted prior to the year in which the levies are to be collected.

(3) Beginning with propositions for enrichment levies for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan under RCW 28A.505.240 before submission of the proposition to the voters.

(4) The superintendent of public instruction shall develop rules
and regulations and inform school districts of the pertinent data
necessary to carry out the provisions of this section.

(5) Beginning with taxes levied for collection in 2020, enrichment levy revenues must be deposited in a separate subfund of the school district's general fund pursuant to RCW 28A.320.330, and are subject to the restrictions of RCW 28A.150.276 and the audit requirements of RCW 43.09.2856.

(6) ((Funds collected from transportation vehicle enrichment levies shall not be subject to the levy limitations in this section)) The office of the superintendent of public instruction shall adjust the average annual full-time equivalent resident enrollments when determining the maximum dollar amount that may be levied by a school district for the following: (a) For districts in a high-nonhigh relationship, the enrollments
 of the nonhigh resident students attending the high school must only
 be counted by the nonhigh school districts.

4 (b) For school districts participating in an innovation academy 5 cooperative established under RCW 28A.340.080, enrollments of 6 students attending the academy must be adjusted so that each 7 participant district receives its proportional share of student 8 enrollments.

9 Sec. 203. RCW 28A.500.015 and 2017 3rd sp.s. c 13 s 206 are each 10 amended to read as follows:

(1) Beginning in calendar year 2019 and each calendar year thereafter, the state must provide state local effort assistance funding to supplement school district enrichment levies as provided in this section.

15 (2) For an eligible school district, annual local effort 16 assistance funding is equal to the school district's maximum local 17 effort assistance multiplied by a fraction equal to the school 18 district's actual enrichment levy divided by the school district's 19 maximum allowable enrichment levy.

(3) The state local effort assistance funding provided under this section is not part of the state's program of basic education deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution.

(4) The definitions in this subsection apply throughout thissection unless the context clearly requires otherwise.

26 (a) "Eligible school district" means a school district whose 27 maximum allowable enrichment levy divided by the school district's 28 total student enrollment in the prior school year is less than the 29 state local effort assistance threshold.

30 (b) "Inflation" means inflation as defined in RCW ((84.55.005)) 31 84.52.0531.

32 (c) "Maximum allowable enrichment levy" means the maximum levy 33 permitted by RCW 84.52.0531.

34 (d) "Maximum local effort assistance" means ((the school 35 district's student enrollment in the prior school year multiplied 36 by)) the difference ((of)) between:

37 (i) The school district's actual prior school year enrollment 38 <u>multiplied by</u> the state local effort assistance threshold<u>;</u> and ((a)) 1 <u>(ii) The</u> school district's maximum allowable enrichment levy
2 ((divided by the school district's student enrollment in the prior
3 school year)).

4 (e) "Prior school year" means the most recent school year 5 completed prior to the year in which the state local effort 6 assistance funding is to be distributed.

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(f) "State local effort assistance threshold" means either:

8 <u>(i) One thousand five hundred dollars per student, ((adjusted))</u> 9 <u>increased annually</u> for inflation beginning in calendar year ((2020)) 10 <u>2018 and the percentage of increase in state basic education funding</u> 11 <u>per average annual full-time equivalent student between the prior</u> 12 <u>school year and the current school year; or</u>

(ii) For school districts with less than one thousand average 13 annual resident full-time equivalent student enrollments, the 14 statewide average per pupil rate at one dollar and fifty cents per 15 one thousand dollars of assessed property value for property values 16 17 within school districts of less than one thousand average annual resident full-time equivalent student enrollments, increased annually 18 19 for inflation beginning in calendar year 2018 and the percentage of increase in state basic education funding per average annual full-20 21 time equivalent student between the prior school year and the current 22 school year.

23 (g) "Student enrollment" means the average annual resident full-24 time equivalent student enrollment.

25 **Sec. 204.** RCW 84.52.054 and 2007 c 54 s 27 are each amended to 26 read as follows:

27 (1) The additional tax provided for in Article VII, section 2 of 28 the state Constitution, and specifically authorized by RCW 84.52.052, 84.52.053, 84.52.0531, and 84.52.130, shall be set forth in terms of 29 30 dollars on the ballot of the proposition to be submitted to the 31 voters except as provided in subsection (2) of this section, together with an estimate of the dollar rate of tax levy that will be required 32 to produce the dollar amount; and the county assessor, in spreading 33 this tax upon the rolls, shall determine the eventual dollar rate 34 required to produce the amount of dollars so voted upon, regardless 35 of the estimate of dollar rate of tax levy carried in said 36 proposition. In the case of a school district or fire protection 37 38 district proposition for a particular period, the dollar amount and 39 the corresponding estimate of the dollar rate of tax levy shall be set forth for each of the years in that period. The dollar amount for
 each annual levy in the particular period may be equal or in
 different amounts.

4 (2) For school districts levying the maximum enrichment funding 5 levy rate of one dollar and fifty cents as specifically authorized by 6 RCW 84.52.053 and 84.52.0531, the additional tax shall be set forth 7 in terms of the dollar rate of tax levy on the ballot of the 8 proposition to be submitted to the voters.

9 Sec. 205. RCW 84.52.065 and 2017 3rd sp.s. c 13 s 301 are each 10 amended to read as follows:

(1) Except as otherwise provided in this section, subject to the limitations in RCW 84.55.010, in each year the state shall levy for collection in the following year for the support of common schools of the state a tax of three dollars and sixty cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(2)(a) In addition to the tax authorized under subsection (1) of 18 this section, the state must levy an additional property tax for the 19 20 support of common schools of the state. (((i))) For taxes levied for 21 collection beginning in calendar year((s)) 2018 ((through 2021)) and thereafter, the rate of tax is the rate necessary to bring the 22 aggregate rate for state property tax levies levied under this 23 24 subsection and subsection (1) of this section to a combined rate of 25 two dollars and seventy cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state 26 27 adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue. 28

29 (((ii) For taxes levied for collection in calendar year 2022 and 30 thereafter, the tax authorized under this subsection (2) is subject 31 to the limitations of chapter 84.55 RCW.))

32 (b) Taxes collected under this subsection (2) must be deposited 33 into the state general fund.

34 (3) ((For taxes levied for collection in calendar years 2019
35 through 2021,)) The state property taxes levied under subsections (1)
36 and (2) of this section are not subject to the limitations in chapter
37 84.55 RCW.

38 (4) For taxes levied for collection in calendar year 2022 and
 39 thereafter, the aggregate rate limit for state property taxes levied

1 under subsections (1) and (2) of this section is three dollars and 2 sixty cents per thousand dollars of assessed value upon the assessed 3 valuation of all taxable property within the state adjusted to the 4 state equalized value in accordance with the indicated ratio fixed by 5 the state department of revenue.

6 (5) For property taxes levied for collection in calendar years 7 2019 through 2021, the rate of tax levied under subsection (1) of 8 this section is the actual rate that was levied for collection in 9 calendar year 2018 under subsection (1) of this section.

10 (6) As used in this section, "the support of common schools" 11 includes the payment of the principal and interest on bonds issued 12 for capital construction projects for the common schools.

13 Sec. 206. RCW 28A.320.330 and 2017 3rd sp.s. c 13 s 601 are each 14 amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1)(a) A general fund for the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

20 (b) By the 2019-20 school year, a local revenue subfund of its general fund to account for the financial operations of a school 21 district that are paid from local revenues. The local revenues that 22 must be deposited in the local revenue subfund are enrichment levies 23 24 ((and transportation vehicle enrichment levies)) collected under RCW 84.52.053, local effort assistance funding received under chapter 25 28A.500 RCW, and other school district local revenues including, but 26 27 not limited to, grants, donations, and state and federal payments in lieu of taxes, but do not include other federal revenues, or local 28 revenues that operate as an offset to the district's basic education 29 30 allocation under RCW 28A.150.250. School districts must track expenditures from this subfund separately to account for the 31 expenditure of each of these streams of revenue by source, and must 32 provide any supplemental expenditure schedules required by the 33 superintendent of public instruction or state auditor for purposes of 34 35 RCW 43.09.2856.

36 (2) A capital projects fund shall be established for major 37 capital purposes. All statutory references to a "building fund" shall 38 mean the capital projects fund so established. Money to be deposited 39 into the capital projects fund shall include, but not be limited to,

bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

6 Money derived from the sale of bonds, including interest earnings 7 thereof, may only be used for those purposes described in RCW 8 28A.530.010, except that accrued interest paid for bonds shall be 9 deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

17 (a) Major renovation and replacement of facilities and systems where periodical repairs are no longer economical or extend the 18 19 useful life of the facility or system beyond its original planned useful life. Such renovation and replacement shall include, but shall 20 21 not be limited to, major repairs, exterior painting of facilities, replacement and refurbishment of roofing, exterior walls, windows, 22 heating and ventilating systems, floor covering in classrooms and 23 public or common areas, and electrical and plumbing systems. 24

(b) Renovation and rehabilitation of playfields, athletic fields,and other district real property.

(c) The conduct of preliminary energy audits and energy audits ofschool district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy conservation measures, including solar energy and renewable resource measures.

39 (iii) "Energy capital improvement" means the installation, or 40 modification of the installation, of energy conservation measures in

a building which measures are primarily intended to reduce energy
 consumption or allow the use of an alternative energy source.

3 (d) Those energy capital improvements which are identified as4 being cost-effective in the audits authorized by this section.

5 (e) Purchase or installation of additional major items of 6 equipment and furniture: PROVIDED, That vehicles shall not be 7 purchased with capital projects fund money.

8 (f)(i) Costs associated with implementing technology systems, 9 facilities, and projects, including acquiring hardware, licensing 10 software, and online applications and training related to the 11 installation of the foregoing. However, the software or applications 12 must be an integral part of the district's technology systems, 13 facilities, or projects.

(ii) Costs associated with the application and modernization of 14 technology systems for operations and instruction including, but not 15 16 limited to, the ongoing fees for online applications, subscriptions, 17 or software licenses, including upgrades and incidental services, and 18 ongoing training related to the installation and integration of these products and services. However, to the extent the funds are used for 19 the purpose under this subsection (2)(f)(ii), the school district 20 shall transfer to the district's general fund the portion of the 21 capital projects fund used for this purpose. The office of the 22 superintendent of public instruction shall 23 develop accounting guidelines for these transfers in accordance with internal revenue 24 25 service regulations.

(g) Major equipment repair, painting of facilities, and other 26 27 major preventative maintenance purposes. However, to the extent the 28 funds are used for the purpose under this subsection (2)(g), the school district shall transfer to the district's general fund the 29 portion of the capital projects fund used for this purpose. 30 The 31 office of the superintendent of public instruction shall develop 32 accounting guidelines for these transfers in accordance with internal revenue service regulations. Based on the district's most recent two-33 year history of general fund maintenance expenditures, funds used for 34 this purpose may not replace routine annual preventive maintenance 35 36 expenditures made from the district's general fund.

37 (3) A debt service fund to provide for tax proceeds, other 38 revenues, and disbursements as authorized in chapter 39.44 RCW. State 39 forestland revenues that are deposited in a school district's debt 40 service fund pursuant to RCW 79.64.110 and to the extent not

1 necessary for payment of debt service on school district bonds may be 2 transferred by the school district into the district's capital 3 projects fund.

4 (4) An associated student body fund as authorized by RCW 5 28A.325.030.

6 (5) Advance refunding bond funds and refunded bond funds to 7 provide for the proceeds and disbursements as authorized in chapter 8 39.53 RCW.

9 Sec. 207. RCW 84.55.010 and 2017 3rd sp.s. c 13 s 302 are each 10 amended to read as follows:

11 (1) Except as provided in this chapter, the levy for a taxing 12 district in any year must be set so that the regular property taxes 13 payable in the following year do not exceed the limit factor multiplied by the amount of regular property taxes lawfully levied 14 15 for such district in the highest of the three most recent years in 16 which such taxes were levied for such district plus an additional 17 dollar amount calculated by multiplying the regular property tax levy 18 rate of that district for the preceding year by the increase in 19 assessed value in that district resulting from:

20 (a) New construction;

37

38

(b) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

27 (c) Improvements to property; and

28 (d) Any increase in the assessed value of state-assessed 29 property.

30 (2) The requirements of this section do not apply to:

31 (a) State property taxes levied under RCW 84.52.065(1) for 32 collection in calendar year((s)) 2019 ((through 2021)) and 33 thereafter; and

34 (b) State property taxes levied under RCW 84.52.065(2) for 35 collection in calendar year((s)) 2018 ((through 2021)) and 36 thereafter.

PART III

SCHOOL DISTRICT EDUCATION FUNDING

1 **Sec. 301.** The legislature recognizes that NEW SECTION. Initiative Measure No. 1433 was approved by the voters of the state 2 of Washington in 2016 requiring employers to provide paid sick leave 3 to each of its employees. The legislature also recognizes the state 4 supreme court has found the state's K-12 funding formulas must 5 б provide for the actual costs of operating the state's program of 7 basic education. The legislature acknowledges the enactment of Initiative Measure No. 1433 contributes to the minimum costs 8 necessary to support instruction and operations of the state's public 9 schools and intends to adjust the current K-12 funding formulas for 10 11 this change to state law.

12 Sec. 302. RCW 28A.150.260 and 2017 3rd sp.s. c 13 s 402 are each 13 amended to read as follows:

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

19 (1) The governor shall and the superintendent of public 20 instruction may recommend to the legislature a formula for the 21 distribution of a basic education instructional allocation for each 22 common school district.

(2)(a) The distribution formula under this section shall be for 23 24 allocation purposes only. Except as may be required under subsections 25 (4)(b) and (c) and (9) of this section, chapter 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and regulations, nothing in 26 27 this section requires school districts to use basic education instructional funds to implement a particular instructional approach 28 or service. Nothing in this section requires school districts to 29 30 maintain a particular classroom teacher-to-student ratio or other 31 staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section 32 entitles an individual teacher to a particular teacher planning 33 34 period.

35 (b) To promote transparency in state funding allocations, the 36 superintendent of public instruction must report state per-pupil 37 allocations for each school district for the general apportionment, 38 special education, learning assistance, transitional bilingual, 39 highly capable, and career and technical education programs. The

1 superintendent must also report state general apportionment per-pupil allocations by grade for each school district. The superintendent 2 must report this information in a user-friendly format on the main 3 page of the office's web site and on school district apportionment 4 reports. School districts must include a link to the superintendent's 5 6 per-pupil allocations report on the main page of the school district's web site. In addition, the budget documents published by 7 the legislature for the enacted omnibus operating appropriations act 8 must report statewide average per-pupil allocations for general 9 apportionment and the categorical programs listed in this subsection. 10

11 (c) Allocations provided in this section are sufficient to 12 provide for the minimum requirements of paid sick leave in RCW 13 <u>49.46.020.</u>

(3)(a) To the extent the technical details of the formula have 14 been adopted by the legislature and except when specifically provided 15 16 as a school district allocation, the distribution formula for the 17 basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to 18 support instruction and operations in prototypical schools serving 19 high, middle, and elementary school students as provided in this 20 21 section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be 22 operated or structured in a similar fashion as the prototypes. 23 Prototypical schools illustrate the level of resources needed to 24 25 operate a school of a particular size with particular types and grade 26 levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school 27 28 staff. It is the intent that the funding allocations to school districts be adjusted from the school prototypes based on the actual 29 number of annual average full-time equivalent students in each grade 30 31 level at each school in the district and not based on the grade-level 32 configuration of the school to the extent that data is available. The 33 allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors 34 identified in the omnibus appropriations act. 35

36 (b) For the purposes of this section, prototypical schools are 37 defined as follows:

38 (i) A prototypical high school has six hundred average annual39 full-time equivalent students in grades nine through twelve;

1 (ii) A prototypical middle school has four hundred thirty-two 2 average annual full-time equivalent students in grades seven and 3 eight; and

4 (iii) A prototypical elementary school has four hundred average
5 annual full-time equivalent students in grades kindergarten through
6 six.

(4)(a)(i) The minimum allocation for each level of prototypical 7 school shall be based on the number of full-time equivalent classroom 8 teachers needed to provide instruction over the minimum required 9 annual instructional hours under RCW 28A.150.220 and provide at least 10 one teacher planning period per school day, and based on the 11 12 following general education average class size of full-time equivalent students per teacher: 13

| 14 | General educati | on |
|-----|---|----|
| 15 | average class si | ze |
| 16 | Grades K-3 | 00 |
| 17 | Grade 4 | 00 |
| 18 | Grades 5-6 | 00 |
| 19 | Grades 7-8 | 53 |
| 20 | Grades 9-12 | 74 |
| 21 | (ii) The minimum class size allocation for each prototypical hi | gh |
| ~ ~ | | |

school shall also provide for enhanced funding for class size 22 23 reduction for two laboratory science classes within grades nine through twelve per full-time equivalent high school student 24 multiplied by a laboratory science course factor of 0.0833, based on 25 the number of full-time equivalent classroom teachers needed to 26 27 provide instruction over the minimum required annual instructional hours in RCW 28A.150.220, and providing at least one teacher planning 28 period per school day: 29

37 in this subsection (4)(b).

1 (ii) School districts demonstrating a lack of capital capacity must be funded at the class sizes specified in (a) of this 2 subsection. 3 (iii) The office of the superintendent of public instruction 4 shall develop rules to implement this subsection (4)(b). 5 б (c)(i) The minimum allocation for each prototypical middle and 7 high school shall also provide for full-time equivalent classroom teachers based on the following number of full-time equivalent 8 9 students per teacher in career and technical education: 10 Career and technical 11 education average 12 class size 13 Approved career and technical education offered at 14 the middle school and high school level. 23.00 Skill center programs meeting the standards established 15 by the office of the superintendent of public 16 17 instruction. 20.00 (ii) Funding allocated under this subsection (4)(c) is subject to 18 19 RCW 28A.150.265. 20 (d) In addition, the omnibus appropriations act shall at a 21 minimum specify: 22 (i) A high-poverty average class size in schools where more than 23 fifty percent of the students are eligible for free and reduced-price 24 meals; and 25 (ii) A specialty average class size for advanced placement and international baccalaureate courses. 26 27 (5) The minimum allocation for each level of prototypical school 28 shall include allocations for the following types of staff in addition to classroom teachers: 29 30 Elementary Middle High 31 School School School 32 Principals, assistant principals, and other certificated building-level 33 administrators..... ((1.253))((1.353)) ((1.880))34 1.927 1.284 1.387 35 Teacher-librarians, a function that includes information literacy, technology, 36 and media to support school library media programs. ((0.663)) ((0.519)) ((0.523))37 0.536 0.680 0.532 38 Health and social services:

| 1 2 | School nurses. | ((0.076)) 0.078 | ((0.060)) 0.062 | ((0.096)) 0.098 |
|-------------|---|---------------------------------|---------------------------------|---------------------------------|
| - 3 4 | Social workers | ((0.042)) 0.043 | 0.006 | 0.015 |
| 5 | Psychologists | 0.017 | 0.002 | 0.007 |
| 6 | Guidance counselors, a function that includes parent outreach and graduation | | | |
| 7 | advising | ((0.493)) | ((1.216)) | ((2.539)) |
| 8 | | <u>0.505</u> | <u>1.246</u> | <u>2.602</u> |
| 9 | Teaching assistance, including any aspect of educational instructional services | | | |
| 10 | provided by classified employees. | ((0.936)) | ((0.700)) | ((0.652)) |
| 11 | | <u>0.959</u> | <u>0.718</u> | <u>0.668</u> |
| 12 | Office support and other noninstructional aides | ((2.012)) | ((2.325)) | ((3.269)) |
| 13 | | <u>2.062</u> | <u>2.383</u> | <u>3.351</u> |
| 14 | Custodians. | ((1.657)) | ((1.942)) | ((2.965)) |
| 15 | | <u>1.698</u> | <u>1.991</u> | <u>3.039</u> |
| 16 | Classified staff providing student and staff safety. | ((0.079)) | ((0.092)) | ((0.141)) |
| 17 | | <u>0.081</u> | <u>0.094</u> | <u>0.145</u> |
| 18 | Parent involvement coordinators. | ((0.0825)) | 0.00 | 0.00 |
| 19 | | <u>0.085</u> | | |

20 (6)(a) The minimum staffing allocation for each school district 21 to provide district-wide support services shall be allocated per one 22 thousand annual average full-time equivalent students in grades K-12 23 as follows:

| 24 | | Staff per 1,000 |
|----|--------------------------------------|-------------------------------------|
| 25 | | K-12 students |
| 26 | Technology | ((0.628)) <u>0.653</u> |
| 27 | Facilities, maintenance, and grounds | ((1.813)) <u>0.838</u> |
| 28 | Warehouse, laborers, and mechanics | ((0.332)) <u>0.357</u> |

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

34 (7) The distribution formula shall include staffing allocations35 to school districts for career and technical education and skill

center administrative and other school-level certificated staff, as
 specified in the omnibus appropriations act.

3 (8)(a) Except as provided in (b) of this subsection, the minimum 4 allocation for each school district shall include allocations per 5 annual average full-time equivalent student for the following 6 materials, supplies, and operating costs as provided in the 2017-18 7 school year, after which the allocations shall be adjusted annually 8 for inflation as specified in the omnibus appropriations act:

| 9 | Per annual | average |
|----|---|----------|
| 10 | full-time equivalent | student |
| 11 | in grad | des K-12 |
| 12 | Technology | \$130.76 |
| 13 | Utilities and insurance | \$355.30 |
| 14 | Curriculum and textbooks | \$140.39 |
| 15 | Other supplies and library materials | \$298.05 |
| 16 | Instructional professional development for certificated and | |
| 17 | classified staff | \$21.71 |
| 18 | Facilities maintenance | \$176.01 |
| 19 | Security and central office administration | \$121.94 |

20 (b) In addition to the amounts provided in (a) of this 21 subsection, beginning in the 2014-15 school year, the omnibus 22 appropriations act shall provide the following minimum allocation for 23 each annual average full-time equivalent student in grades nine 24 through twelve for the following materials, supplies, and operating 25 costs, to be adjusted annually for inflation:

| 26 | | | Per | annu | al | average |
|----|--|-----------|------|------|------|---------|
| 27 | | full-time | equi | vale | ent | student |
| 28 | | | | in g | grad | es 9-12 |
| 29 | Technology | | • • | | • | \$36.35 |
| 30 | Curriculum and textbooks | | • • | | • | \$39.02 |
| 31 | Other supplies and library materials | | • • | • • | • | \$82.84 |
| 32 | Instructional professional development for | certifica | ated | and | | |
| 33 | classified staff | | • • | • • | | \$6.04 |
| | | | | | | |

(9) In addition to the amounts provided in subsection (8) of this section and subject to RCW 28A.150.265, the omnibus appropriations act shall provide an amount based on full-time equivalent student enrollment in each of the following: (a) Exploratory career and technical education courses for
 students in grades seven through twelve;

3 (b) Preparatory career and technical education courses for 4 students in grades nine through twelve offered in a high school; and 5 (c) Preparatory career and technical education courses for 6 students in grades eleven and twelve offered through a skill center.

7 (10) In addition to the allocations otherwise provided under this 8 section, amounts shall be provided to support the following programs 9 and services:

(a)(i) To provide supplemental instruction and services for 10 11 students who are not meeting academic standards through the learning 12 assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the district percentage of students in 13 grades K-12 who were eligible for free or reduced-price meals in the 14 prior school year. The minimum allocation for the program shall 15 16 provide for each level of prototypical school resources to provide, 17 on a statewide average, 2.3975 hours per week in extra instruction 18 with a class size of fifteen learning assistance program students per 19 teacher.

(ii) In addition to funding allocated under (a)(i) of this 20 21 subsection, to provide supplemental instruction and services for 22 students who are not meeting academic standards in schools where at least fifty percent of students are eligible for free and reduced-23 price meals in the prior school year, except as provided in this 24 25 <u>subsection (10)(a)</u>. The minimum allocation for this additional high 26 poverty-based allocation must provide for each level of prototypical school resources to provide((, on a statewide average,)) 1.1 hours 27 per week in extra instruction with a class size of fifteen learning 28 29 assistance program students per teacher, under RCW 28A.165.055, school districts must distribute the high poverty-based allocation to 30 31 the schools that generated the funding allocation.

32 (iii) School districts that received state funding under (a)(ii) 33 of this subsection in the prior school year but no longer qualify in 34 the current school year must receive the following reductions of the 35 high poverty-based allocation:

36 <u>(A) In the first year after disqualification, no reduction;</u>
37 <u>(B) In year two after disqualification, thirty-three percent</u>
38 reduction; and

39 <u>(C) In year three after disqualification, sixty-six percent</u> 40 reduction.

1 (b)(i) To provide supplemental instruction and services for students whose primary language is other than English, allocations 2 shall be based on the head count number of students in each school 3 who are eligible for and enrolled in the transitional bilingual 4 instruction program under RCW 28A.180.010 through 28A.180.080. The 5 6 minimum allocation for each level of prototypical school shall provide resources to provide, on a statewide average, 4.7780 hours 7 per week in extra instruction for students in grades kindergarten 8 through six and 6.7780 hours per week in extra instruction for 9 students in grades seven through twelve, with fifteen transitional 10 11 bilingual instruction program students per teacher. Notwithstanding 12 other provisions of this subsection (10), the actual per-student allocation may be scaled to provide a larger allocation for students 13 needing more intensive intervention and a commensurate reduced 14 allocation for students needing less intensive intervention, 15 as 16 detailed in the omnibus appropriations act.

17 To provide supplemental instruction and services for (ii) 18 students who have exited the transitional bilingual program, 19 allocations shall be based on the head count number of students in each school who have exited the transitional bilingual program within 20 the previous two years based on their performance on the English 21 proficiency assessment and are eligible for and enrolled in the 22 transitional bilingual instruction under 23 program RCW 28A.180.040(1)(g). The minimum allocation for each prototypical 24 25 school shall provide resources to provide, on a statewide average, 26 3.0 hours per week in extra instruction with fifteen exited students 27 per teacher.

28 (c) To provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, 29 allocations shall be based on 5.0 percent of each school district's 30 31 full-time equivalent basic education enrollment. The minimum 32 allocation for the programs shall provide resources to provide, on a statewide average, 2.1590 hours per week in extra instruction with 33 fifteen highly capable program students per teacher. 34

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

39 (12)(a) For the purposes of allocations for prototypical high40 schools and middle schools under subsections (4) and (10) of this

section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

6 (b) Allocations or enhancements provided under subsections (4), 7 (7), and (9) of this section for exploratory and preparatory career 8 and technical education courses shall be provided only for courses 9 approved by the office of the superintendent of public instruction 10 under chapter 28A.700 RCW.

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

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

(c) The enrollment of any district shall be the annual average 19 number of full-time equivalent students and part-time students as 20 21 provided in RCW 28A.150.350, enrolled on the first school day of each month, including students who are in attendance pursuant to RCW 22 28A.335.160 and 28A.225.250 who do not reside within the servicing 23 school district. The definition of full-time equivalent student shall 24 25 be determined by rules of the superintendent of public instruction 26 and shall be included as part of the superintendent's biennial budget request. The definition shall be based on the minimum instructional 27 hour offerings required under RCW 28A.150.220. Any revision of the 28 29 present definition shall not take effect until approved by the house ways and means committee and the senate ways and means committee. 30

31 (d) The office of financial management shall make a monthly 32 review of the superintendent's reported full-time equivalent students 33 in the common schools in conjunction with RCW 43.62.050.

34 Sec. 303. RCW 28A.400.007 and 2017 3rd sp.s. c 13 s 904 are each 35 amended to read as follows:

36 (1) In addition to the staffing units in RCW 28A.150.260, the 37 superintendent of public instruction must provide school districts 38 with allocations for the following staff units if and to the extent 39 that funding is specifically appropriated and designated for that

| 3 (a) Additional staffing units for each level of prototypical school in RCW 28A.150.260: 5 Elementary Middle High School School School 6 School 0.010 7 Principals, assistant principals, and other certificated building-level administrators | 1 2 | category of staffing unit in the omnibus act. | operating | g approp | riations |
|--|--------|---|-------------------------|-------------------------|-------------------------|
| 6 School School School 7 Principals, assistant principals, and other certificated building-level administrators | | | h level | of prot | otypical |
| administrators. ((0.0479)) ((0.0479)) ((0.0420)) 9 0.0480 0.0480 0.0210 10 Teacher-librarians, a function that includes information literacy, technology, and media to support school library media programs. ((0.3370)) ((0.4840)) ((0.4770)) 12 0.3450 0.493 0.4890 13 Health and social services: ((0.5090)) ((0.8280)) (0.7280)) 15 0.5220 0.8490 0.7460 16 Social workers. ((0.0870)) ((0.0220)) (0.04120)) 17 0.2760 0.849 0.1150 18 Psychologists. (0.0497) (0.0220) (0.0420) 19 0.0890 0.0230 0.0430 20 Guidance counselors, a function that includes parent outreach and graduation advising. 0.0070 ((0.7840)) (0.9640)) 21 advising. including any aspect of educational instructional services yorided by classified employees. 1.011 1.020 0.3080 0.3570 23 Teaching assistance, including any aspect of educational instructional services 1.013 1.020 0.2370 <td></td> <td></td> <td>-</td> <td></td> <td>•</td> | | | - | | • |
| 9 0.0480 0.0480 0.0210 10 Teacher-librarians, a function that includes information literacy, technology, and media to support school library media programs | 7 | Principals, assistant principals, and other certificated building-level | | | |
| Image: Constraint of the second se | 8 | administrators | ((0.0470)) | ((0.0470)) | ((0.0200)) |
| 11 and media to support school library media programs. (0.4370) (0.4370) (0.4710) 12 0.3450 0.493 0.4890 13 Health and social services: (0.5900) (0.63280) (0.7280) 14 School nurses. (0.5220 0.8490 0.7460 15 0.5220 0.8490 (0.41120) 16 Social workers. (0.6300) (0.0820) (0.41120) 17 0.2760 0.084 0.1150 18 Psychologists. (0.0870) (0.0820) (0.0420) 19 0.0890 0.0230 0.0430 20 Guidance counselors, a function that includes parent outreach and graduation 8.804 0.9850 21 advising. 0.0070 (0.7840) (0.9640) 22 0.804 0.9850 0.3570 23 Teaching assistance, including any aspect of educational instructional services 10.910 0.3080 0.3570 24 provided by classified employces. (1.013 1.204 0.2370 < | 9 | | <u>0.0480</u> | <u>0.0480</u> | <u>0.0210</u> |
| 12 0.3450 0.493 0.4890 13 Health and social services: (0.69090) (0.62800) (0.72800) 14 School nurses. (0.672800) (0.626900) (0.62800) (0.72800) 15 0.5220 0.8490 0.7460 16 Social workers. (0.6072800) (0.62690) (0.64200) (0.64200) 17 0.2760 0.084 0.1150 18 Psychologists. (0.60870) (0.0220) (0.0420) 19 0.0890 0.0230 0.0430 20 Guidance counselors, a function that includes parent outreach and graduation advising. 0.804 0.9850 23 Teaching assistance, including any aspect of educational instructional services 0.804 0.9350 24 provided by classified employees. (1.013 1.204 0.2370 25 1.0910 0.3080 0.3570 26 Office support and other noninstructional aides. (0.04400) ((0.9380) ((0.9340) 27 1.013 1.204 | 10 | Teacher-librarians, a function that includes information literacy, technology, | | | |
| International services: International services: 13 Health and social services: (0.5999)) (0.8289)) (0.7289)) 15 0.5220 0.8490 0.7460 16 Social workers. (0.62699)) (0.04229)) (0.04229) 17 0.2760 0.084 0.1150 18 Psychologists. (0.04020) (0.04220) (0.04220) 19 0.0890 0.0230 0.0430 20 Guidance counselors, a function that includes parent outreach and graduation (0.804 0.9850 21 advising. 0.804 0.9850 22 0.804 0.9850 23 Teaching assistance, including any aspect of educational instructional services 10.910 0.3080 0.3570 24 provided by classified employees. (1.0449) (1.1759) (1.04349) 25 1.0910 0.3080 0.3570 26 Office support and other noninstructional aides. (1.0449) (1.04349) (1.04349) 29 0.0440 0.0590 < | 11 | and media to support school library media programs. | ((0.3370)) | ((0.4810)) | ((0.4770)) |
| 14 School nurses | 12 | | <u>0.3450</u> | <u>0.493</u> | <u>0.4890</u> |
| 15 0.5220 0.8490 0.7460 16 Social workers | 13 | Health and social services: | | | |
| 16 Social workers | 14 | School nurses | ((0.5090)) | ((0.8280)) | ((0.7280)) |
| 17 0.2760 0.084 0.1150 18 Psychologists. ((0.0820)) ((0.0420)) ((0.0420)) 19 0.0890 0.0230 0.0430 20 Guidance counselors, a function that includes parent outreach and graduation advising. ((0.0740)) ((0.0740)) ((0.0420)) 21 advising. 0.0070 ((0.74840)) ((0.9640)) 22 0.804 0.9850 0.0370 23 Teaching assistance, including any aspect of educational instructional services (1.0640) ((0.3080) (0.3570) 24 provided by classified employees. (1.013) 1.204 0.2370 25 10910 0.3080 0.3570 26 Office support and other noninstructional aides. ((0.9880)) ((1.4750)) (0.2340) 27 1013 1.204 0.2370 28 Custodians. ((0.0430)) ((0.0590) 0.0360 30 Classified staff providing student and staff safety. 0.0000 ((0.6080)) (1.4590) 31 parent involvement coordinators. (0.9410) 1.0250 1.1880 | 15 | | <u>0.5220</u> | <u>0.8490</u> | <u>0.7460</u> |
| 18 Psychologists | 16 | Social workers. | ((0.2690)) | ((0.0820)) | ((0.1120)) |
| 19 0.0890 0.0230 0.0430 20 Guidance counselors, a function that includes parent outreach and graduation advising | 17 | | <u>0.2760</u> | <u>0.084</u> | <u>0.1150</u> |
| 20 Guidance counselors, a function that includes parent outreach and graduation 21 advising | 18 | Psychologists | ((0.0870)) | ((0.0220)) | ((0.0420)) |
| 21 advising | 19 | | <u>0.0890</u> | <u>0.0230</u> | 0.0430 |
| 22 0.804 0.9850 23 Teaching assistance, including any aspect of educational instructional services ((4.040)) ((0.3000)) ((0.3480)) 24 provided by classified employees | 20 | Guidance counselors, a function that includes parent outreach and graduation | | | |
| 23 Teaching assistance, including any aspect of educational instructional services 24 provided by classified employees | 21 | advising | 0.0070 | ((0.7840)) | ((0.9610)) |
| 24 provided by classified employees. ((1.0640)) ((0.3000)) ((0.3480)) 25 1.0910 0.3080 0.3570 26 Office support and other noninstructional aides. ((0.9880)) ((1.1750)) ((0.2310)) 27 1.013 1.204 0.2370 28 Custodians. ((0.0430)) ((0.0580)) ((0.0350)) 29 0.0440 0.0590 0.0360 30 Classified staff providing student and staff safety. 0.0000 ((0.6080)) ((1.1590)) 31 0.6230 1.1880 32 Parent involvement coordinators. ((0.9175)) ((1.0000)) ((1.0000)) 33 (b) Additional certificated instructional staff staff units sufficient | 22 | | | <u>0.804</u> | <u>0.9850</u> |
| 25 1.0910 0.3080 0.3570 26 Office support and other noninstructional aides. ((θ.9880)) ((±.1750)) ((θ.2310)) 27 1.013 1.204 0.2370 28 Custodians. ((θ.0430)) ((θ.0580)) ((θ.0350)) 29 0.0440 0.0590 0.0360 30 Classified staff providing student and staff safety. 0.0000 ((θ.6080)) ((±.1590)) 31 - - 0.6230 1.1880 32 Parent involvement coordinators. ((θ.9175)) ((±.0000)) ((±.0000)) 33 (b) Additional certificated instructional staff staft units sufficient staff units sufficient | 23 | Teaching assistance, including any aspect of educational instructional services | | | |
| 26 Office support and other noninstructional aides. ((0.9880)) ((1.1750)) ((0.2310)) 27 1.013 1.204 0.2370 28 Custodians. ((0.0430)) ((0.0580)) ((0.0350)) 29 0.0440 0.0590 0.0360 30 Classified staff providing student and staff safety. 0.0000 ((0.6080)) ((1.1590)) 31 0.6230 1.1880 32 Parent involvement coordinators. ((0.9175)) ((1.0000)) ((1.0000)) 33 0.940 1.0250 1.0250 34 (b) Additional certificated instructional staff units sufficient | 24 | provided by classified employees. | ((1.0640)) | ((0.3000)) | ((0.3480)) |
| 27 1.013 1.204 0.2370 28 Custodians | 25 | | <u>1.0910</u> | <u>0.3080</u> | 0.3570 |
| 28 Custodians | 26 | Office support and other noninstructional aides. | ((0.9880)) | ((1.1750)) | ((0.2310)) |
| 29 0.0440 0.0590 0.0360 30 Classified staff providing student and staff safety 0.0000 ((0.6080)) ((1.1590)) 31 0.6230 1.1880 32 Parent involvement coordinators ((0.9175)) ((1.0000)) ((1.0000)) 33 0.940 1.0250 1.0250 34 (b) Additional certificated instructional staff staff units sufficient | 27 | | <u>1.013</u> | 1.204 | 0.2370 |
| 30 Classified staff providing student and staff safety. 0.0000 (((0.6080)) ((1.1590)) 31 0.6230 1.1880 32 Parent involvement coordinators. ((0.9175)) (((1.0000)) ((1.0000)) 33 0.940 1.0250 1.0250 34 (b) Additional certificated instructional staff units sufficient | 28 | Custodians | ((0.0430)) | ((0.0580)) | ((0.0350)) |
| 31 0.6230 1.1880 32 Parent involvement coordinators | 29 | | <u>0.0440</u> | <u>0.0590</u> | <u>0.0360</u> |
| 32Parent involvement coordinators. $((0.9175))$ $((1.0000))$ $((1.0000))$ 330.9401.02501.025034(b) Additional certificated instructional staff units sufficient | 30 | Classified staff providing student and staff safety. | 0.0000 | ((0.6080)) | ((1.1590)) |
| 33 <u>0.940</u> <u>1.0250</u> <u>1.0250</u> 34 (b) Additional certificated instructional staff units sufficient | 31 | | | 0.6230 | <u>1.1880</u> |
| 34 (b) Additional certificated instructional staff units sufficient | 32 | Parent involvement coordinators. | ((0.9175)) | ((1.0000)) | ((1.0000)) |
| | 33 | | <u>0.940</u> | <u>1.0250</u> | 1.0250 |
| | 34 | (b) Additional certificated instructiona | l staff | units su | fficient |
| 35 to achieve the following reductions in class size in each level of | 35 | | | | |

36 prototypical school under RCW 28A.150.260:

| 1 | General education |
|----|--|
| 2 | certificated instructional |
| 3 | staff units sufficient to |
| 4 | achieve class size reduction of: |
| 5 | Grades K-3 class size |
| 6 | Grade 4 |
| 7 | Grades 5-6 |
| 8 | Grades 7-8 |
| 9 | Grades 9-12 |
| 10 | CTE |
| 11 | Skills |
| 12 | High poverty |
| 13 | certificated instructional |
| 14 | staff units sufficient to |
| 15 | achieve class size reduction of: |
| 16 | Grades K-3 class size |
| 17 | Grade 4 |
| 18 | Grades 5-6 |
| 19 | Grades 7-8 |
| 20 | Grades 9-12 |
| 21 | (c) Additional staffing units for each school district to provide |
| 22 | district-wide support services must be allocated per one thousand |
| 23 | annual average full-time equivalent students in grades K-12 in RCW |
| 24 | 28A.150.260: |
| 25 | Technology |
| 26 | Facilities, maintenance, and grounds |
| 27 | Warehouse, laborers, and mechanics |
| 28 | (2)(a) The staffing units in subsection (1) of this section are |
| 20 | an enrichment to and are beyond the state's statutory program of |
| 30 | basic education in RCW 28A.150.220 and 28A.150.260. However, if and |
| 31 | to the extent that any of these additional staffing units are funded |
| 32 | by specific reference to this section in the omnibus operating |
| 33 | appropriations act, those units become part of prototypical school |
| 34 | funding formulas and a component of the state funding that the |
| 35 | legislature deems necessary to support school districts in offering |
| 36 | the statutory program of basic education under Article IX, section 1 |
| 37 | of the state Constitution. |
| | |

1 (b) Allocations provided in this section are sufficient to 2 provide for the paid sick leave minimum requirements of RCW 3 <u>49.46.020.</u>

4 (3) For the 2021-2023 fiscal biennium, funding allocations in the 5 omnibus appropriations act must provide for fifty percent phase-in of 6 the staffing values provided in subsection (1) of this section 7 prioritizing allocations to high-poverty school districts. For the 8 2023-2025 fiscal biennium, funding allocations in the omnibus 9 appropriations act must be no less than the funding necessary to 10 support the staffing values in subsection (1) of this section.

11 **Sec. 304.** RCW 28A.165.055 and 2017 3rd sp.s. c 13 s 405 are each 12 amended to read as follows:

(1) The funds for the learning assistance program shall be 13 appropriated in accordance with RCW 28A.150.260 and the omnibus 14 appropriations act. The distribution formula is for school district 15 16 allocation purposes only, except as provided in RCW 28A.150.260(10)(a)(ii), but all funds appropriated for the learning 17 18 assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065. 19

20 (2) A district's high poverty-based allocation ((is generated by)) as provided in RCW 28A.150.260(10)(b)(ii) is based on school-21 level average annual full-time equivalent enrollments for schools 22 with student participation greater than fifty percent in the free and 23 24 <u>reduced-price meals program at</u> its qualifying schools ((buildings)) 25 and must be expended by the district for those ((buildings)) schools. This funding must supplement and not supplant the district's 26 27 expenditures under this chapter for those schools ((buildings)).

28 Sec. 305. RCW 28A.510.250 and 2011 1st sp.s. c 4 s 1 are each 29 amended to read as follows:

30 (1) On or before the last business day of September 1969 and each 31 month thereafter, the superintendent of public instruction shall 32 apportion from the state general fund to the several educational 33 service districts of the state the proportional share of the total 34 annual amount due and apportionable to such educational service 35 districts for the school districts thereof as follows:

| 36 | September | 9% |
|----|-----------|--------|
| 37 | October | 9% |

| 1 | November | 5.5% |
|----|----------|-----------|
| 2 | December | 9% |
| 3 | January | 9% |
| 4 | February | 9% |
| 5 | March | 9% |
| 6 | April | 9% |
| 7 | May | 5.5% |
| 8 | June | 6.0% |
| 9 | July | 10.0% |
| 10 | August | 10.0% |
| | | |

11 The annual amount due and apportionable shall be the amount 12 apportionable for all apportionment credits estimated to accrue to 13 the schools during the apportionment year beginning September ((first [1st])) <u>1st</u> and continuing through August ((thirty-first [31st])) 14 15 31st. Appropriations made for school districts for each year of a biennium shall be apportioned according to the schedule set forth in 16 this section for the fiscal year starting September 1st of the then 17 18 calendar year and ending August 31st of the next calendar year, subsection (2) this 19 except as provided in of section. The apportionment from the state general fund for each month shall be an 20 21 amount which will equal the amount due and apportionable to the 22 several educational service districts during such month: PROVIDED, That any school district may petition the superintendent of public 23 instruction for an emergency advance of funds which may become 24 apportionable to it but not to exceed ten percent of the total amount 25 26 to due and apportionable during the school districts become 27 apportionment year. The superintendent of public instruction shall 28 determine if the emergency warrants such advance and if the funds are 29 available therefor. Ιf the superintendent determines in the 30 affirmative, he or she may approve such advance and, at the same time, add such an amount to the apportionment for the educational 31 service district in which the school district is located: PROVIDED, 32 33 That the emergency advance of funds and the interest earned by school 34 districts on the investment of temporary cash surpluses resulting from obtaining such advance of state funds shall be deducted by the 35 superintendent of public instruction from 36 the remaining amount 37 apportionable to said districts during that apportionment year in which the funds are advanced. 38

1 (2) In the 2010-11 school year, the June apportionment payment to 2 school districts shall be reduced by one hundred twenty-eight million 3 dollars, and an additional apportionment payment shall be made on 4 July 1, 2011, in the amount of one hundred twenty-eight million 5 dollars. This July 1st payment shall be in addition to the regularly 6 calculated July apportionment payment.

7 (3) If the superintendent of public instruction determines that the school funding changes required in chapter 13, Laws of 2017 3rd 8 sp. sess. have adversely impacted the net state and local levy 9 10 revenues of a school district, the superintendent shall add such an amount to the apportionment for the school district. The 11 superintendent must calculate and publish annually the estimated 12 state and local levy revenues each school district would have 13 received using the funding formulas in effect before school year 14 2018-19 with annual inflationary increases as compared to the current 15 16 state and local levy revenues.

17 Sec. 306. RCW 28A.510.250 and 2017 3rd sp.s. c 13 s 1004 are 18 each amended to read as follows:

(1) On or before the last business day of September 1969 and each month thereafter, the superintendent of public instruction shall apportion from the state general fund to the several educational service districts of the state the proportional share of the total annual amount due and apportionable to such educational service districts for the school districts thereof as follows:

| 25 | September | 9% |
|----|-----------|-----------|
| 26 | October | 8% |
| 27 | November | 5% |
| 28 | December | 9% |
| 29 | January | 8.5% |
| 30 | February | 9% |
| 31 | March | 9% |
| 32 | April | 9% |
| 33 | May | 5% |
| 34 | June | 6.0% |
| 35 | July | 12.5% |
| 36 | August | 10.0% |
| | | |

The annual amount due and apportionable shall be the amount 1 2 apportionable for all apportionment credits estimated to accrue to 3 the schools during the apportionment year beginning September 1st and 4 continuing through August 31st. Appropriations made for school districts for each year of a biennium shall be apportioned according 5 б to the schedule set forth in this section for the fiscal year starting September 1st of the then calendar year and ending August 7 31st of the next calendar year, except as provided in subsection (2) 8 9 of this section. The apportionment from the state general fund for 10 each month shall be an amount which will equal the amount due and apportionable to the several educational service districts during 11 such month: PROVIDED, That any school district may petition the 12 13 superintendent of public instruction for an emergency advance of funds which may become apportionable to it but not to exceed ten 14 percent of the total amount to become due and apportionable during 15 the school districts apportionment year. The superintendent of public 16 17 instruction shall determine if the emergency warrants such advance 18 and if the funds are available therefor. If the superintendent 19 determines in the affirmative, he or she may approve such advance and, at the same time, add such an amount to the apportionment for 20 the educational service district in which the school district is 21 located: PROVIDED, That the emergency advance of funds and the 22 interest earned by school districts on the investment of temporary 23 24 cash surpluses resulting from obtaining such advance of state funds shall be deducted by the superintendent of public instruction from 25 26 the remaining amount apportionable to said districts during that apportionment year in which the funds are advanced. 27

(2) In the 2010-11 school year, the June apportionment payment to school districts shall be reduced by one hundred twenty-eight million dollars, and an additional apportionment payment shall be made on July 1, 2011, in the amount of one hundred twenty-eight million dollars. This July 1st payment shall be in addition to the regularly calculated July apportionment payment.

34 (3) If the superintendent of public instruction determines that 35 the school funding changes required in chapter 13, Laws of 2017 3rd 36 sp. sess. have adversely impacted the net state and local levy 37 revenues of a school district, the superintendent shall add such an 38 amount to the apportionment for the school district. The 39 superintendent must calculate and publish annually the estimated 1 state and local levy revenues each school district would have 2 received using the funding formulas in effect before school year 3 2018-19 with annual inflationary increases as compared to the current

4 <u>state and local levy revenues.</u>

5 Sec. 307. RCW 28A.150.276 and 2017 3rd sp.s. c 13 s 501 are each 6 amended to read as follows:

7 (1)(a) Beginning September 1, 2019, school districts may use 8 local revenues only for documented and demonstrated enrichment of the 9 state's statutory program of basic education as authorized in 10 subsection (2) of this section.

(b) Nothing in this section revises the definition of the program
 of basic education under RCW 28A.150.220 and 28A.150.260.

(c) For purposes of this section, "local revenues" means 13 enrichment levies collected under RCW 84.52.053, ((transportation 14 15 vehicle enrichment levies,)) local effort assistance funding received 16 under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and 17 18 federal payments in lieu of taxes, except that "local revenues" does not include other federal revenues, or local revenues that operate as 19 20 an offset to the district's basic education allocation under RCW 21 28A.150.250.

22 (2)(((a) Enrichment activities are permitted under this section
23 if they provide supplementation beyond the state:

24 (i) Minimum instructional offerings of RCW 28A.150.220 or 25 28A.150.260;

26 (ii) Staffing ratios or program components of RCW 28A.150.260, 27 including providing additional staff for class size reduction beyond 28 class sizes allocated in the prototypical school model and additional 29 staff beyond the staffing ratios allocated in the prototypical school 30 formula;

31 (iii) Program components of RCW 28A.150.200, 28A.150.220, or 32 28A.150.260; or

33 (iv) Program of professional learning as defined by RCW
 34 28A.415.430 beyond that allocated pursuant to RCW 28A.150.415.

35 (b) Permitted enrichment activities consist of:

36 (i) Extracurricular activities, extended school days, or an 37 extended school year; 1 (ii) Additional course offerings beyond the minimum instructional program established in the state's statutory program of basic 2 3 education;

(iii) Activities associated with early learning programs; 4

(iv) Any additional salary costs attributable to the provision or 5 6 administration of the enrichment activities allowed under this 7

subsection; and

(v) Additional activities or enhancements that the office of the 8 superintendent of public instruction determines to be a documented 9 and demonstrated enrichment of the state's statutory program of basic 10 education under (a) of this subsection and for which the 11 superintendent approves proposed expenditures during the preballot 12 approval process required by RCW 84.52.053 and 28A.505.240)) 13 Enrichment beyond the state-provided funding in the omnibus 14 appropriations act for the basic education program components under 15 RCW 28A.150.200, 28A.150.220, 28A.150.260, 28A.150.390, or 16 17 28A.160.180 is a permitted use of local revenues.

(3) ((In addition to the limitations of subsections (1) and (2) 18 of this section and of RCW 28A.400.200, permitted enrichment 19 activities are subject to the following conditions and limitations: 20

21 (a) If a school district spends local revenues for salary costs attributable to the administration of enrichment programs, the 22 23 portion of administrator salaries attributable to that purpose may not exceed the proportion of the district's local revenues to its 24 25 other revenues; and

26 (b) Supplemental contracts under RCW 28A.400.200 are subject to 27 the limitations of this section.

(4))) The superintendent of public instruction must adopt rules 28 29 to implement this section.

30 31

PART IV

COLLECTIVE BARGAINING

32 Sec. 401. RCW 41.56.800 and 2017 3rd sp.s. c 13 s 701 are each amended to read as follows: 33

(1) A school district collective bargaining agreement for 34 classified staff that is executed or modified after July 6, 2017, and 35 that is in effect for the 2018-19 school year, except as provided in 36 subsection (3) of this section, may not ((provide school district 37 classified staff with a percentage)) increase ((to)) total salary for 38

1 the 2018-19 school year, including supplemental contracts, ((that exceeds the previous calendar year's annual average consumer price 2 index, using the official current base compiled by the bureau of 3 labor statistics, United States department of labor, for the city of 4 Seattle. However, if a district's average classified staff salary is 5 6 less than the average classified salary allocated by the state for 7 that year, the district may increase salaries not to exceed the point where the district's average classified staff salary equals the 8 9 average classified staff salary allocated by the state.

10

(2))) in excess of the following:

11 (a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average 12 consumer price index, using the official current base, compiled by 13 14 the bureau of labor statistics, United States department of labor, and that includes all items, covers the greatest number of people in 15 Washington, and covers areas exclusively within the boundaries of the 16 17 state, and annual experience and education salary step increases as 18 according to the salary schedule specified in the agreement; or

19 (b) School districts with an average total classified staff 20 salary less than the statewide average classified salary allocation 21 used to distribute funds for basic education as estimated by the 22 office of the superintendent of public instruction for the 2018-19 23 school year may provide salary increases up to the statewide average 24 allocation.

25 (2) The following salary changes are excluded from the limitations in subsection (1) of this section: Extended learning 26 27 opportunities for students; costs related to new curriculum implementation; new employee responsibilities mandated by state or 28 29 federal law; overtime payments; leave buyouts and buybacks; stipends 30 or compensation paid to long-term substitutes; additional responsibility; additional incentive for additional course loads or 31 32 class size overload; or any additional costs for unforeseen school 33 emergencies.

34 (3) For the purposes of this section, any collective bargaining 35 agreement modified after July 6, 2017, is not subject to the 36 compensation limitations of this section if the modifications are 37 made solely for the purposes of assuring that the original intent of 38 the collective bargaining agreement is not impaired or altered as a 39 result of the provisions of chapter 13, Laws of 2017 3rd sp. sess., 1 <u>the omnibus appropriations act, or chapter . . ., Laws of 2018 (this</u> 2 <u>act).</u>

3 (4) This section expires August 31, 2019.

4 **Sec. 402.** RCW 41.59.800 and 2017 3rd sp.s. c 13 s 702 are each 5 amended to read as follows:

A school district collective bargaining agreement for б (1) 7 certificated instructional staff that is executed or modified after July 6, 2017, and that is in effect for the 2018-19 school year, 8 9 except as provided in subsection (3) of this section, may not ((provide school district certificated instructional staff with a 10 11 percentage)) increase ((to)) total salary for the 2018-19 school year, including supplemental contracts((, that exceeds the previous 12 calendar year's annual average consumer price index, using the 13 official current base compiled by the bureau of labor statistics, 14 15 United States department of labor, for the city of Seattle. However, 16 if a district's average certificated instructional staff salary is less than the average certificated instructional staff salary 17 allocated by the state for that year, the district may increase 18 salaries not to exceed the point where the district's average 19 20 certificated instructional staff salary equals the average certificated instructional staff salary allocated by the state. 21

22

(2))) in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of 23 24 the yearly increase of the previous calendar year's annual average consumer price index, using the official current base, compiled by 25 the bureau of labor statistics, United States department of labor, 26 and that includes all items, covers the greatest number of people in 27 Washington, and covers areas exclusively within the boundaries of the 28 29 state, and annual experience and education salary step increases as according to the salary schedule specified in the agreement; or 30

31 (b) School districts with an average total certificated 32 instructional staff salary less than the statewide average 33 certificated instructional staff salary allocation used to distribute 34 funds for basic education as estimated by the office of the 35 superintendent of public instruction for the 2018-19 school year may 36 provide salary increases up to the statewide average allocation.

37 (2) The following salary changes are excluded from the 38 limitations in subsection (1) of this section: New national board 39 certified teacher bonuses; extended learning opportunities for students; costs related to new curriculum implementation; new employee responsibilities mandated by state or federal law; overtime payments; leave buyouts and buybacks; stipends or compensation paid to long-term substitutes; additional responsibility; additional incentive for additional course loads or class size overload; or any additional costs for unforeseen school emergencies.

7 (3) For the purposes of this section, any collective bargaining agreement modified after July 6, 2017, is not subject to the 8 compensation limitations of this section if the modifications are 9 10 made solely for the purposes of assuring that the original intent of the collective bargaining agreement is not impaired or altered as a 11 result of the provisions of chapter 13, Laws of 2017 3rd sp. sess., 12 the omnibus appropriations act, or chapter . . ., Laws of 2018 (this 13 14 act).

15 (4) This section expires August 31, 2019.

16 Sec. 403. RCW 28A.400.006 and 2017 3rd sp.s. c 13 s 703 are each 17 amended to read as follows:

(1) A school district may not provide any school district 18 certificated administrative staff with a percentage increase to total 19 2018-19 20 salary for the school year, including supplemental contracts((, that exceeds the previous calendar year's annual average 21 consumer price index, using the official current base compiled by the 22 bureau of labor statistics, United States department of labor, for 23 24 the city of Seattle. However, if a district's average certificated administrative staff salary is less than the average certificated 25 administrative salary allocated by the state for that year, the 26 27 district may increase salaries not to exceed the point where the district's average certificated administrative staff salary equals 28 29 the average certificated administrative staff salary allocated by the 30 state.

31

(2))) in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of 32 the yearly increase of the previous calendar year's annual average 33 consumer price index, using the official current base, compiled by 34 the bureau of labor statistics, United States department of labor, 35 and that includes all items, covers the greatest number of people in 36 Washington, and covers areas exclusively within the boundaries of the 37 38 state, and annual experience and education salary step increases as 39 according to the salary schedule specified by the school district; or

1 (b) School districts with an average total certificated 2 administrative staff salary less than the statewide average 3 certificated administrative staff salary allocation used to 4 distribute funds for basic education as estimated by the office of 5 the superintendent of public instruction for the 2018-19 school year 6 may provide salary increases up to the statewide average allocation.

(2) The following salary changes are excluded from the 7 limitations in subsection (1) of this section: Extended learning 8 opportunities for students; costs related to new curriculum 9 implementation; new employee responsibilities mandated by state or 10 federal law; overtime payments; leave buyouts and buybacks; stipends 11 or compensation paid to long-term substitutes; additional 12 responsibility; or any additional costs for unforeseen school 13 14 emergencies.

15 (3) This section expires August 31, 2019.

16 **Sec. 404.** RCW 41.56.907 and 2017 3rd sp.s. c 13 s 704 are each 17 amended to read as follows:

18 Nothing in chapter 13, Laws of 2017 3rd sp. sess. or chapter . . ., Laws of 2018 (this act) is intended to alter or impair 19 20 school district collective bargaining agreements for certificated instructional and certificated administrative staff that are in 21 effect on ((October 19, 2017)) the effective date of this section. 22 Any school district collective bargaining agreement executed or 23 24 modified after ((October 19, 2017,)) the effective date of this 25 section must comply with chapter ((13, Laws of 2017 3rd sp. sess)) . . ., Laws of 2018 (this act). 26

27 **Sec. 405.** RCW 41.59.937 and 2017 3rd sp.s. c 13 s 705 are each 28 amended to read as follows:

29 Nothing in chapter 13, Laws of 2017 3rd sp. sess. or chapter . . ., Laws of 2018 (this act) is intended to alter or impair 30 school district collective bargaining agreements for classified staff 31 that are in effect on $((\frac{0 + 19}{2017}))$ the effective date of this 32 section. Any school district collective bargaining agreement executed 33 or modified after ((October 19, 2017,)) the effective date of this 34 section must comply with chapter ((13, Laws of 2017 3rd sp. 35 sess)) . . ., Laws of 2018 (this act). 36

PART V

2 <u>NEW SECTION.</u> **Sec. 501.** The following acts or parts of acts are 3 each repealed:

4 (1) RCW 28A.415.020 (Credit on salary schedule for approved in5 service training, continuing education, and internship) and 2011 1st
6 sp.s. c 18 s 5, 2007 c 319 s 3, 2006 c 263 s 808, 1995 c 284 s 2,
7 1990 c 33 s 415, & 1987 c 519 s 1;

8 (2) RCW 28A.415.023 (Credit on salary schedule for approved in-9 service training, continuing education, or internship—Course content 10 —Rules) and 2012 c 35 s 6 & 2011 1st sp.s. c 18 s 6; and

11 (3) RCW 28A.415.024 (Credit on salary schedule—Accredited 12 institutions—Verification—Penalty for submitting credits from 13 unaccredited institutions) and 2006 c 263 s 809 & 2005 c 461 s 1.

14 <u>NEW SECTION.</u> Sec. 502. The following acts or parts of acts are 15 each repealed:

16 (1) RCW 41.56.800 (School district collective bargaining 17 agreements—Classified staff—Restrictions during the 2018-19 school 18 year) and 2017 3rd sp.s. c 13 s 701;

19 (2) RCW 41.59.800 (School district collective bargaining 20 agreements—Certificated instructional staff—Restrictions during the 21 2018-19 school year) and 2017 3rd sp.s. c 13 s 702; and

(3) RCW 28A.400.006 (Salary restrictions during the 2018-19
school year—Certificated administrative staff) and 2017 3rd sp.s. c
13 s 703.

25 <u>NEW SECTION.</u> Sec. 503. Sections 201 through 203 of this act 26 take effect January 1, 2019.

27 <u>NEW SECTION.</u> **Sec. 504.** Sections 302 through 305 and 501 of this 28 act take effect September 1, 2018.

29 <u>NEW SECTION.</u> Sec. 505. Section 305 of this act expires 30 September 1, 2019.

31 <u>NEW SECTION.</u> Sec. 506. Section 306 of this act takes effect 32 September 1, 2019.

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<u>NEW SECTION.</u> Sec. 507. Sections 401 through 403 and 502 of this
 act take effect July 1, 2018.

3 <u>NEW SECTION.</u> Sec. 508. If specific funding for increased salary 4 allocations above those funded in the biennial 2017-2019 omnibus 5 appropriations act to provide expedited implementation of salary 6 allocations by school year 2018-19, is provided by June 30, 2018, in 7 the omnibus appropriations act, sections 401 through 403 of this act 8 are null and void.

9 <u>NEW SECTION.</u> **Sec. 509.** If specific funding for increased salary 10 allocations above those funded in the biennial 2017-2019 omnibus 11 appropriations act to provide expedited implementation of salary 12 allocations by school year 2018-19 is not provided by June 30, 2018, 13 in the omnibus appropriations act, section 502 of this act is null 14 and void.

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