

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2776**

61st Legislature  
2010 Regular Session

Passed by the House March 11, 2010  
Yeas 71 Nays 26

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**Speaker of the House of Representatives**

Passed by the Senate March 11, 2010  
Yeas 30 Nays 17

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2776** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2776**

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AS AMENDED BY THE SENATE

Passed Legislature - 2010 Regular Session

**State of Washington                      61st Legislature                      2010 Regular Session**

**By** House Education Appropriations (originally sponsored by Representatives Sullivan, Priest, Maxwell, Dammeier, Carlyle, Finn, Anderson, Eddy, Nelson, Goodman, Orwall, Hunter, Simpson, Jacks, Kagi, Ormsby, Morrell, Probst, and Santos)

READ FIRST TIME 02/02/10.

1            AN ACT Relating to funding distribution formulas for K-12  
2 education; amending RCW 28A.150.260, 28A.150.390, 28A.150.315,  
3 43.41.398, 28A.160.192, 28A.150.410, 28A.175.010, 28A.150.100, and  
4 28A.290.010; amending 2009 c 548 s 112 (uncodified); amending 2009 c  
5 548 s 302 (uncodified); amending 2009 c 548 s 710 (uncodified);  
6 amending 2009 c 548 s 805 (uncodified); adding a new section to chapter  
7 28A.160 RCW; adding a new section to chapter 28A.300 RCW; adding a new  
8 section to chapter 28A.290 RCW; adding a new section to chapter 28A.400  
9 RCW; creating a new section; recodifying RCW 43.41.398; providing  
10 effective dates; and declaring an emergency.

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

12            NEW SECTION.    **Sec. 1.**    (1) It is the legislature's intent to  
13 continue implementation of chapter 548, Laws of 2009, by adopting the  
14 technical details of a new distribution formula for the instructional  
15 program of basic education and authorizing a phase-in of implementation  
16 of a new distribution formula for pupil transportation, both to take  
17 effect during the 2011-2013 biennium. Unless otherwise stated, the  
18 numeric values adopted in section 2 of this act represent the  
19 translation of 2009-2010 state funding levels for the basic education

1 act into the funding factors of the prototypical school funding  
2 formula, based on the expert advice and extensive work of the funding  
3 formula technical working group established by the legislature for this  
4 purpose. The legislature intends to continue to review and revise the  
5 formulas and may make revisions as necessary for technical purposes and  
6 consistency in the event of mathematical or other technical errors.

7 (2) The legislature intends that per-pupil basic education funding  
8 for a school district shall not be decreased as a result of the  
9 transition of basic education funding formulas in effect during the  
10 2009-2011 biennium to the new funding formulas under RCW 28A.150.260  
11 that take effect during the 2011-2013 biennium.

12 (3) It is also the legislature's intent to begin phasing-in  
13 enhancements to the baseline funding levels of 2009-10 in the 2011-2013  
14 biennium for pupil transportation, class size allocations for grades  
15 kindergarten through three, full-day kindergarten, and allocations for  
16 maintenance, supplies, and operating costs.

17 (4) Finally, it is the legislature's intent to adjust the timelines  
18 for other working groups so that their expertise and advice can be  
19 received as soon as possible and to make technical adjustments to  
20 certain provisions of chapter 548, Laws of 2009.

21 **Sec. 2.** RCW 28A.150.260 and 2009 c 548 s 106 are each amended to  
22 read as follows:

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

28 (1) The governor shall and the superintendent of public instruction  
29 may recommend to the legislature a formula for the distribution of a  
30 basic education instructional allocation for each common school  
31 district.

32 (2) The distribution formula under this section shall be for  
33 allocation purposes only. Except as may be required under chapter  
34 28A.155, 28A.165, 28A.180, or ((~~28A.155~~)) 28A.185 RCW, or federal laws  
35 and regulations, nothing in this section requires school districts to  
36 use basic education instructional funds to implement a particular  
37 instructional approach or service. Nothing in this section requires

1 school districts to maintain a particular classroom teacher-to-student  
2 ratio or other staff-to-student ratio or to use allocated funds to pay  
3 for particular types or classifications of staff. Nothing in this  
4 section entitles an individual teacher to a particular teacher planning  
5 period.

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

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

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

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

35 (iii) A prototypical elementary school has four hundred average  
36 annual full-time equivalent students in grades kindergarten through  
37 six.

1           ~~((c))~~ (4)(a) The minimum allocation for each level of  
2 prototypical school shall be based on the number of full-time  
3 equivalent classroom teachers needed to provide instruction over the  
4 minimum required annual instructional hours under RCW 28A.150.220 and  
5 provide at least one teacher planning period per school day, and based  
6 on ~~((an))~~ the following general education average class size ~~((as~~  
7 ~~specified in the omnibus appropriations act.))~~ of full-time equivalent  
8 students per teacher:

	<u>General education</u>
	<u>average</u>
	<u>class size</u>
9	
10	
11	
12	<u>25.23</u>
13	<u>27.00</u>
14	<u>27.00</u>
15	<u>28.53</u>
16	<u>28.74</u>

17           (b) During the 2011-2013 biennium and beginning with schools with  
18 the highest percentage of students eligible for free and reduced-price  
19 meals in the prior school year, the general education average class  
20 size for grades K-3 shall be reduced until the average class size  
21 funded under this subsection (4) is no more than 17.0 full-time  
22 equivalent students per teacher beginning in the 2017-18 school year.

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

	<u>Career and technical</u>
	<u>education average</u>
	<u>class size</u>
27	
28	
29	
30	
31	<u>26.57</u>
32	
33	<u>22.76</u>

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

36           (i) ~~((Basic average class size:~~

1       ~~(ii) Basic))~~ A high-poverty average class size in schools where  
 2 more than fifty percent of the students are eligible for free and  
 3 reduced-price meals; and  
 4       ~~((iii))~~ (ii) A specialty average class size for ~~((exploratory and~~  
 5 ~~preparatory career and technical education,))~~ laboratory science,  
 6 advanced placement, and international baccalaureate courses~~((and~~  
 7 ~~(iv) Average class size in grades kindergarten through three))~~.  
 8       ~~((d))~~ (5) The minimum allocation for each level of prototypical  
 9 school shall include allocations for the following types of staff in  
 10 addition to classroom teachers:  
 11       ~~((i) Principals, including assistant principals, and other~~  
 12 ~~certificated building-level administrators;~~  
 13       ~~(ii) Teacher librarians, performing functions including information~~  
 14 ~~literacy, technology, and media to support school library media~~  
 15 ~~programs;~~  
 16       ~~(iii) Student health services, a function that includes school~~  
 17 ~~nurses, whether certificated instructional or classified employee, and~~  
 18 ~~social workers;~~  
 19       ~~(iv) Guidance counselors, performing functions including parent~~  
 20 ~~outreach and graduation advisor;~~  
 21       ~~(v) Professional development coaches;~~  
 22       ~~(vi) Teaching assistance, which includes any aspect of educational~~  
 23 ~~instructional services provided by classified employees;~~  
 24       ~~(vii) Office support, technology support, and other~~  
 25 ~~noninstructional aides;~~  
 26       ~~(viii) Custodians, warehouse, maintenance, laborer, and~~  
 27 ~~professional and technical education support employees; and~~  
 28       ~~(ix) Classified staff providing student and staff safety.~~  
 29       ~~(4)(a))~~

	<u>Elementary</u>	<u>Middle</u>	<u>High</u>
	<u>School</u>	<u>School</u>	<u>School</u>
<u>Principals, assistant principals, and other certificated building-level administrators</u> .....	<u>1.253</u>	<u>1.353</u>	<u>1.880</u>
<u>Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs</u> .....	<u>0.663</u>	<u>0.519</u>	<u>0.523</u>
<u>Health and social services:</u>			

1	<u>School nurses.....</u>	<u>0.076</u>	<u>0.060</u>	<u>0.096</u>
2	<u>Social workers.....</u>	<u>0.042</u>	<u>0.006</u>	<u>0.015</u>
3	<u>Psychologists.....</u>	<u>0.017</u>	<u>0.002</u>	<u>0.007</u>
4	<u>Guidance counselors, a function that includes parent outreach and</u>			
5	<u>graduation advising.....</u>	<u>0.493</u>	<u>1.116</u>	<u>1.909</u>
6	<u>Teaching assistance, including any aspect of educational instructional</u>			
7	<u>services provided by classified employees.....</u>	<u>0.936</u>	<u>0.700</u>	<u>0.652</u>
8	<u>Office support and other noninstructional aides.....</u>	<u>2.012</u>	<u>2.325</u>	<u>3.269</u>
9	<u>Custodians.....</u>	<u>1.657</u>	<u>1.942</u>	<u>2.965</u>
10	<u>Classified staff providing student and staff safety.....</u>	<u>0.079</u>	<u>0.092</u>	<u>0.141</u>
11	<u>Parent involvement coordinators.....</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

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

16		<u>Staff per 1,000</u>
17		<u>K-12 students</u>
18	<u>Technology . . . . .</u>	<u>0.628</u>
19	<u>Facilities, maintenance, and grounds . . . . .</u>	<u>1.813</u>
20	<u>Warehouse, laborers, and mechanics . . . . .</u>	<u>0.332</u>

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

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

30 (8)(a) Except as provided in (b) of this subsection, the minimum  
31 allocation for each school district shall include allocations per  
32 annual average full-time equivalent student for the following  
33 materials, supplies, and operating costs, to be adjusted for inflation  
34 from the 2008-09 school year: (~~Student technology; utilities;~~  
35 curriculum, textbooks, library materials, and instructional supplies;

1 ~~instructional professional development for both certificated and~~  
2 ~~classified staff; other building level costs including maintenance,~~  
3 ~~custodial, and security; and central office administration.))~~

	<u>Per annual average</u> <u>full-time equivalent student</u> <u>in grades K-12</u>
4	
5	
6	
7	<u>Technology . . . . . \$54.43</u>
8	<u>Utilities and insurance . . . . . \$147.90</u>
9	<u>Curriculum and textbooks . . . . . \$58.44</u>
10	<u>Other supplies and library materials . . . . . \$124.07</u>
11	<u>Instructional professional development for certified and</u>
12	<u>classified staff . . . . . \$9.04</u>
13	<u>Facilities maintenance . . . . . \$73.27</u>
14	<u>Security and central office . . . . . \$50.76</u>

15 (b) ~~((The annual average full-time equivalent student amounts in~~  
16 ~~(a) of this subsection shall be enhanced))~~ During the 2011-2013  
17 biennium, the minimum allocation for maintenance, supplies, and  
18 operating costs shall be increased as specified in the omnibus  
19 appropriations act. The following allocations, adjusted for inflation  
20 from the 2007-08 school year, are provided in the 2015-16 school year,  
21 after which the allocations shall be adjusted annually for inflation as  
22 specified in the omnibus appropriations act:

	<u>Per annual average</u> <u>full-time equivalent student</u> <u>in grades K-12</u>
23	
24	
25	
26	<u>Technology . . . . . \$113.80</u>
27	<u>Utilities and insurance . . . . . \$309.21</u>
28	<u>Curriculum and textbooks . . . . . \$122.17</u>
29	<u>Other supplies and library materials . . . . . \$259.39</u>
30	<u>Instructional professional development for certificated and</u>
31	<u>classified staff . . . . . \$18.89</u>
32	<u>Facilities maintenance . . . . . \$153.18</u>
33	<u>Security and central office administration . . . . . \$106.12</u>

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



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

3        (b) Laboratory science courses for students in grades nine through  
4 twelve;

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

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

9        ~~((+5))~~ (10) In addition to the allocations otherwise provided  
10 under ~~((subsections (3) and (4) of))~~ this section ~~((shall be enhanced~~  
11 ~~as follows to provide additional allocations for classroom teachers and~~  
12 ~~maintenance, supplies, and operating costs))~~, amounts shall be provided  
13 to support the following programs and services:

14        (a) To provide supplemental instruction and services for  
15 underachieving students through the learning assistance program under  
16 RCW 28A.165.005 through 28A.165.065, allocations shall be based on the  
17 ~~((percent))~~ district percentage of students in ~~((each school))~~ grades  
18 K-12 who ~~((are))~~ were eligible for free ~~((and))~~ or reduced-price meals  
19 in the prior school year. The minimum allocation for the ~~((learning~~  
20 ~~assistance))~~ program shall provide ~~((an extended school day and~~  
21 ~~extended school year))~~ for each level of prototypical school ~~((and a~~  
22 ~~per student allocation for maintenance, supplies, and operating costs))~~  
23 resources to provide, on a statewide average, 1.5156 hours per week in  
24 extra instruction with a class size of fifteen learning assistance  
25 program students per teacher.

26        (b) To provide supplemental instruction and services for students  
27 whose primary language is other than English, allocations shall be  
28 based on the head count number of students in each school who are  
29 eligible for and enrolled in the transitional bilingual instruction  
30 program under RCW 28A.180.010 through 28A.180.080. The minimum  
31 allocation for each level of prototypical school shall provide ~~((for~~  
32 ~~supplemental instruction based on percent of the school day a student~~  
33 ~~is assumed to receive supplemental instruction and a per student~~  
34 ~~allocation for maintenance, supplies, and operating costs))~~ resources  
35 to provide, on a statewide average, 4.7780 hours per week in extra  
36 instruction with fifteen transitional bilingual instruction program  
37 students per teacher.

1        ~~((6) The allocations provided under subsections (3) and (4) of~~  
2 ~~this section shall be enhanced))~~ (c) To provide additional allocations  
3 to support programs for highly capable students under RCW 28A.185.010  
4 through 28A.185.030, allocations shall be based on two and three  
5 hundred fourteen one-thousandths percent of each school district's  
6 full-time equivalent basic education enrollment. The minimum  
7 allocation for the programs shall provide ~~((an extended school day and~~  
8 ~~extended school year for each level of prototypical school and a per~~  
9 ~~student allocation for maintenance, supplies, and operating costs))~~  
10 resources to provide, on a statewide average, 2.1590 hours per week in  
11 extra instruction with fifteen highly capable program students per  
12 teacher.

13        ~~((7))~~ (11) The allocations under subsections ~~((3))~~ (4)(a) and  
14 (b), ~~((c)(i), and (d), (4),)~~ (5), (6), and (8) of this section shall  
15 be enhanced as provided under RCW 28A.150.390 on an excess cost basis  
16 to provide supplemental instructional resources for students with  
17 disabilities.

18        ~~((8) The distribution formula shall include allocations to school~~  
19 ~~districts to support certificated and classified staffing of central~~  
20 ~~office administration. The minimum allocation shall be calculated as~~  
21 ~~a percentage, identified in the omnibus appropriations act, of the~~  
22 ~~total allocations for staff under subsections (3) and (6) of this~~  
23 ~~section for all schools in the district.~~

24        ~~(9))~~ (12)(a) For the purposes of allocations for prototypical high  
25 schools and middle schools under subsections ~~((3))~~ (4) and ~~((5))~~  
26 (10) of this section that are based on the percent of students in the  
27 school who are eligible for free and reduced-price meals, the actual  
28 percent of such students in a school shall be adjusted by a factor  
29 identified in the omnibus appropriations act to reflect underreporting  
30 of free and reduced-price meal eligibility among middle and high school  
31 students.

32        (b) Allocations or enhancements provided under subsections ~~((3)~~  
33 ~~and))~~ (4), (7), and (9) of this section for exploratory and preparatory  
34 career and technical education courses shall be provided only for  
35 courses approved by the office of the superintendent of public  
36 instruction under chapter 28A.700 RCW.

37        ~~((10))~~ (13)(a) This formula for distribution of basic education

1 funds shall be reviewed biennially by the superintendent and governor.  
2 The recommended formula shall be subject to approval, amendment or  
3 rejection by the legislature.

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

8 (c) The enrollment of any district shall be the annual average  
9 number of full-time equivalent students and part-time students as  
10 provided in RCW 28A.150.350, enrolled on the first school day of each  
11 month, including students who are in attendance pursuant to RCW  
12 28A.335.160 and 28A.225.250 who do not reside within the servicing  
13 school district. The definition of full-time equivalent student shall  
14 be determined by rules of the superintendent of public instruction and  
15 shall be included as part of the superintendent's biennial budget  
16 request. The definition shall be based on the minimum instructional  
17 hour offerings required under RCW 28A.150.220. Any revision of the  
18 present definition shall not take effect until approved by the house  
19 ways and means committee and the senate ways and means committee.

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

23 **Sec. 3.** RCW 28A.150.390 and 2009 c 548 s 108 are each amended to  
24 read as follows:

25 (1) The superintendent of public instruction shall submit to each  
26 regular session of the legislature during an odd-numbered year a  
27 programmed budget request for special education programs for students  
28 with disabilities. Funding for programs operated by local school  
29 districts shall be on an excess cost basis from appropriations provided  
30 by the legislature for special education programs for students with  
31 disabilities and shall take account of state funds accruing through RCW  
32 28A.150.260 (~~((3) (b), (c)(i), and (d), (4), and (8) and federal~~  
33 ~~medical assistance and private funds accruing under RCW 74.09.5249~~  
34 ~~through 74.09.5253 and 74.09.5254 through 74.09.5256)) (4)(a) and (b),  
35 (5), (6), and (8).~~

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

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

6 (b) A district's annual average full-time equivalent basic  
7 education enrollment, multiplied by the district's funded enrollment  
8 percent, multiplied by the district's base allocation per full-time  
9 equivalent student, multiplied by 0.9309.

10 (3) As used in this section:

11 (a) "Base allocation" means the total state allocation to all  
12 schools in the district generated by the distribution formula under RCW  
13 28A.150.260 (~~((3) (b), (c)(i), and (d), (4), and (8))~~) (4)(a) and (b),  
14 (5), (6), and (8), to be divided by the district's full-time equivalent  
15 enrollment.

16 (b) "Basic education enrollment" means enrollment of resident  
17 students including nonresident students enrolled under RCW 28A.225.225  
18 and students from nonhigh districts enrolled under RCW 28A.225.210 and  
19 excluding students residing in another district enrolled as part of an  
20 interdistrict cooperative program under RCW 28A.225.250.

21 (c) "Enrollment percent" means the district's resident special  
22 education annual average enrollment, excluding students ages birth  
23 through four and those five year olds not yet enrolled in kindergarten,  
24 as a percent of the district's annual average full-time equivalent  
25 basic education enrollment.

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

28 **Sec. 4.** RCW 28A.150.315 and 2009 c 548 s 107 are each amended to  
29 read as follows:

30 (1) Beginning with the 2007-08 school year, funding for voluntary  
31 all-day kindergarten programs shall be phased-in beginning with schools  
32 with the highest poverty levels, defined as those schools with the  
33 highest percentages of students qualifying for free and reduced-price  
34 lunch support in the prior school year. During the 2011-2013 biennium,  
35 funding shall continue to be phased-in each year until full statewide  
36 implementation of all-day kindergarten is achieved in the 2017-18  
37 school year. Once a school receives funding for the all-day

1 kindergarten program, that school shall remain eligible for funding in  
2 subsequent school years regardless of changes in the school's  
3 percentage of students eligible for free and reduced-price lunches as  
4 long as other program requirements are fulfilled. Additionally,  
5 schools receiving all-day kindergarten program support shall agree to  
6 the following conditions:

- 7 (a) Provide at least a one thousand-hour instructional program;
- 8 (b) Provide a curriculum that offers a rich, varied set of  
9 experiences that assist students in:

10 (i) Developing initial skills in the academic areas of reading,  
11 mathematics, and writing;

12 (ii) Developing a variety of communication skills;

13 (iii) Providing experiences in science, social studies, arts,  
14 health and physical education, and a world language other than English;

15 (iv) Acquiring large and small motor skills;

16 (v) Acquiring social and emotional skills including successful  
17 participation in learning activities as an individual and as part of a  
18 group; and

19 (vi) Learning through hands-on experiences;

20 (c) Establish learning environments that are developmentally  
21 appropriate and promote creativity;

22 (d) Demonstrate strong connections and communication with early  
23 learning community providers; and

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

26 (2) Subject to funds appropriated for this purpose, the  
27 superintendent of public instruction shall designate one or more school  
28 districts to serve as resources and examples of best practices in  
29 designing and operating a high-quality all-day kindergarten program.  
30 Designated school districts shall serve as lighthouse programs and  
31 provide technical assistance to other school districts in the initial  
32 stages of implementing an all-day kindergarten program. Examples of  
33 topics addressed by the technical assistance include strategic  
34 planning, developing the instructional program and curriculum, working  
35 with early learning providers to identify students and communicate with  
36 parents, and developing kindergarten program readiness activities.

1       **Sec. 5.** 2009 c 548 s 112 (uncodified) is amended to read as  
2 follows:

3       (1) The legislature intends to continue to redefine the  
4 instructional program of education under RCW 28A.150.220 that fulfills  
5 the obligations and requirements of Article IX of the state  
6 Constitution. The funding formulas under RCW 28A.150.260 to support  
7 the instructional program shall be implemented to the extent the  
8 technical details of the formula have been established and according to  
9 an implementation schedule to be adopted by the legislature. The  
10 object of the schedule is to assure that any increases in funding  
11 allocations are timely, predictable, and occur concurrently with any  
12 increases in program or instructional requirements. It is the intent  
13 of the legislature that no increased programmatic or instructional  
14 expectations be imposed upon schools or school districts without an  
15 accompanying increase in resources as necessary to support those  
16 increased expectations.

17       (2) The office of financial management, with assistance and support  
18 from the office of the superintendent of public instruction, shall  
19 convene a technical working group to:

20       (a) Develop the details of the funding formulas under RCW  
21 28A.150.260;

22       (b) Recommend to the legislature an implementation schedule for  
23 phasing-in any increased program or instructional requirements  
24 concurrently with increases in funding for adoption by the legislature;  
25 and

26       (c) Examine possible sources of revenue to support increases in  
27 funding allocations and present options to the legislature and the  
28 quality education council created in (~~section 114 of this act~~) RCW  
29 28A.290.010 for consideration.

30       (3) The working group shall include representatives of the  
31 legislative evaluation and accountability program committee, school  
32 district and educational service district financial managers, the  
33 Washington association of school business officers, the Washington  
34 education association, the Washington association of school  
35 administrators, the association of Washington school principals, the  
36 Washington state school directors' association, the public school  
37 employees of Washington, and other interested stakeholders with

1 expertise in education finance. The working group may convene advisory  
2 subgroups on specific topics as necessary to assure participation and  
3 input from a broad array of diverse stakeholders.

4 (4) The working group shall be monitored and overseen by the  
5 legislature and the quality education council established in (~~section~~  
6 ~~114 of this act~~) RCW 28A.290.010. The working group shall submit its  
7 recommendations to the legislature by December 1, 2009.

8 (5) After the 2009 report to the legislature, the office of  
9 financial management and the office of the superintendent of public  
10 instruction shall periodically reconvene the working group to monitor  
11 and provide advice on further development and implementation of the  
12 funding formulas under RCW 28A.150.260 and provide technical assistance  
13 to the ongoing work of the quality education council.

14 **Sec. 6.** 2009 c 548 s 302 (uncodified) is amended to read as  
15 follows:

16 (1) Beginning (~~July~~) April 1, 2010, the office of financial  
17 management, with assistance and support from the office of the  
18 superintendent of public instruction, shall convene a technical working  
19 group to develop options for a new system of supplemental school  
20 funding through local school levies and local effort assistance.

21 (2) The working group shall consider the impact on overall school  
22 district revenues of the new basic education funding system established  
23 under (~~this act~~) chapter 548, Laws of 2009 and shall recommend a  
24 phase-in plan that ensures that no school district suffers a decrease  
25 in funding from one school year to the next due to implementation of  
26 the new system of supplemental funding.

27 (3) The working group shall also:

28 (a) Examine local school district capacity to address facility  
29 needs associated with phasing-in full-day kindergarten across the state  
30 and reducing class size in kindergarten through third grade; and

31 (b) Provide the quality education council with analysis on the  
32 potential use of local funds that may become available for redeployment  
33 and redirection as a result of increased state funding allocations for  
34 pupil transportation and maintenance, supplies, and operating costs.

35 (4) The working group shall be composed of representatives from the  
36 department of revenue, the legislative evaluation and accountability  
37 program committee, school district and educational service district

1 financial managers, and representatives of the Washington association  
2 of school business officers, the Washington education association, the  
3 Washington association of school administrators, the association of  
4 Washington school principals, the Washington state school directors'  
5 association, the public school employees of Washington, and other  
6 interested stakeholders with expertise in education finance. The  
7 working group may convene advisory subgroups on specific topics as  
8 necessary to assure participation and input from a broad array of  
9 diverse stakeholders.

10 ((+4)) (5) The local funding working group shall be monitored and  
11 overseen by the legislature and by the quality education council  
12 created in ((section 114 of this act)) RCW 28A.290.010. The working  
13 group shall report to the legislature ((December 1)) June 30, 2011.

14 **Sec. 7.** RCW 43.41.398 and 2009 c 548 s 601 are each amended to  
15 read as follows:

16 (1) The legislature recognizes that providing students with the  
17 opportunity to access a world-class educational system depends on our  
18 continuing ability to provide students with access to world-class  
19 educators. The legislature also understands that continuing to attract  
20 and retain the highest quality educators will require increased  
21 investments. The legislature intends to enhance the current salary  
22 allocation model and recognizes that changes to the current model  
23 cannot be imposed without great deliberation and input from teachers,  
24 administrators, and classified employees. Therefore, it is the intent  
25 of the legislature to begin the process of developing an enhanced  
26 salary allocation model that is collaboratively designed to ensure the  
27 rationality of any conclusions regarding what constitutes adequate  
28 compensation.

29 (2) Beginning July 1, 2011, the office of the superintendent of  
30 public instruction, in collaboration with the office of financial  
31 management, shall convene a technical working group to recommend the  
32 details of an enhanced salary allocation model that aligns state  
33 expectations for educator development and certification with the  
34 compensation system and establishes recommendations for a concurrent  
35 implementation schedule. In addition to any other details the  
36 technical working group deems necessary, the technical working group  
37 shall make recommendations on the following:



1 (a) How to reduce the number of tiers within the existing salary  
2 allocation model;

3 (b) How to account for labor market adjustments;

4 (c) How to account for different geographic regions of the state  
5 where districts may encounter difficulty recruiting and retaining  
6 teachers;

7 (d) The role of and types of bonuses available;

8 (e) Ways to accomplish salary equalization over a set number of  
9 years; and

10 (f) Initial fiscal estimates for implementing the recommendations  
11 including a recognition that staff on the existing salary allocation  
12 model would have the option to grandfather in permanently to the  
13 existing schedule.

14 (3) As part of its work, the technical working group shall conduct  
15 or contract for a preliminary comparative labor market analysis of  
16 salaries and other compensation for school district employees to be  
17 conducted and shall include the results in any reports to the  
18 legislature. For the purposes of this subsection, "salaries and other  
19 compensation" includes average base salaries, average total salaries,  
20 average employee basic benefits, and retirement benefits.

21 (4) The analysis required under subsection (1) of this section  
22 must:

23 (a) Examine salaries and other compensation for teachers, other  
24 certificated instructional staff, principals, and other building-level  
25 certificated administrators, and the types of classified employees for  
26 whom salaries are allocated;

27 (b) Be calculated at a statewide level that identifies labor  
28 markets in Washington through the use of data from the United States  
29 bureau of the census and the bureau of labor statistics; and

30 (c) Include a comparison of salaries and other compensation to the  
31 appropriate labor market for at least the following subgroups of  
32 educators: Beginning teachers and types of educational staff  
33 associates.

34 (5) The working group shall include representatives of the  
35 department of personnel, the professional educator standards board, the  
36 office of the superintendent of public instruction, the Washington  
37 education association, the Washington association of school  
38 administrators, the association of Washington school principals, the

1 Washington state school directors' association, the public school  
2 employees of Washington, and other interested stakeholders with  
3 appropriate expertise in compensation related matters. The working  
4 group may convene advisory subgroups on specific topics as necessary to  
5 assure participation and input from a broad array of diverse  
6 stakeholders.

7 (6) The working group shall be monitored and overseen by the  
8 legislature and the quality education council created in RCW  
9 28A.290.010. The working group shall make an initial report to the  
10 legislature by (~~December 1~~) June 30, 2012, and shall include in its  
11 report recommendations for whether additional further work of the group  
12 is necessary.

13 **Sec. 8.** RCW 28A.160.192 and 2009 c 548 s 311 are each amended to  
14 read as follows:

15 (1) The superintendent of public instruction shall phase-in the  
16 implementation of the distribution formula under this chapter for  
17 allocating state funds to school districts for the transportation of  
18 students to and from school. The phase-in shall (~~be according to the~~  
19 ~~implementation schedule adopted by the legislature and shall~~) begin no  
20 later than the (~~2013-14 school year~~) 2011-2013 biennium and be fully  
21 implemented by the 2013-2015 biennium.

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

29 (b) The formula must allocate funds to school districts based on  
30 the average predicted costs of transporting students to and from  
31 school, using a regression analysis.

32 (2) During the phase-in period, funding provided to school  
33 districts for student transportation operations shall be distributed on  
34 the following basis:

35 (a) Annually, each school district shall receive the lesser of the  
36 previous school year's pupil transportation operations allocation, or  
37 the total of allowable pupil transportation expenditures identified on

1 the previous school year's final expenditure report to the state plus  
2 district indirect expenses using the state recovery rate identified by  
3 the superintendent; and

4 (b) Annually, any funds appropriated by the legislature in excess  
5 of the maintenance level funding amount for student transportation  
6 shall be distributed among school districts on a prorated basis using  
7 the difference between the amount identified in (a) of this subsection  
8 and the amount determined under the formula in RCW 28A.160.180.

9 ~~((3) The superintendent shall develop, implement, and provide a  
10 copy of the rules specifying the student transportation reporting  
11 requirements to the legislature and school districts no later than  
12 December 1, 2009.~~

13 ~~(4) Beginning in December 2009, and continuing until December 2014,  
14 the superintendent shall provide quarterly updates and progress reports  
15 to the fiscal committees of the legislature on the implementation and  
16 testing of the distribution formula.))~~

17 NEW SECTION. **Sec. 9.** A new section is added to chapter 28A.160  
18 RCW to read as follows:

19 (1) The superintendent of public instruction shall develop,  
20 implement, and provide a copy of the rules specifying the student  
21 transportation reporting requirements to the legislature and school  
22 districts no later than December 1, 2010.

23 (2) Beginning in December 2010, and continuing until December 2014,  
24 the superintendent shall provide quarterly updates and progress reports  
25 to the fiscal committees of the legislature on the implementation and  
26 testing of the distribution formula.

27 (3) This section expires June 30, 2015.

28 **Sec. 10.** RCW 28A.150.410 and 2007 c 403 s 1 are each amended to  
29 read as follows:

30 (1) The legislature shall establish for each school year in the  
31 appropriations act a statewide salary allocation schedule, for  
32 allocation purposes only, to be used to distribute funds for basic  
33 education certificated instructional staff salaries under RCW  
34 28A.150.260. For the purposes of this section, the staff allocations  
35 for classroom teachers, teacher librarians, guidance counselors, and

1 student health services staff under RCW 28A.150.260 are considered  
2 allocations for certificated instructional staff.

3 (2) Salary allocations for state-funded basic education  
4 certificated instructional staff shall be calculated by the  
5 superintendent of public instruction by determining the district's  
6 average salary for certificated instructional staff, using the  
7 statewide salary allocation schedule and related documents, conditions,  
8 and limitations established by the omnibus appropriations act.

9 (3) Beginning January 1, 1992, no more than ninety college quarter-  
10 hour credits received by any employee after the baccalaureate degree  
11 may be used to determine compensation allocations under the state  
12 salary allocation schedule and LEAP documents referenced in the omnibus  
13 appropriations act, or any replacement schedules and documents, unless:

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

15 (b) The credits were used in generating state salary allocations  
16 before January 1, 1992.

17 (4) Beginning in the 2007-08 school year, the calculation of years  
18 of service for occupational therapists, physical therapists, speech-  
19 language pathologists, audiologists, nurses, social workers,  
20 counselors, and psychologists regulated under Title 18 RCW may include  
21 experience in schools and other nonschool positions as occupational  
22 therapists, physical therapists, speech-language pathologists,  
23 audiologists, nurses, social workers, counselors, or psychologists.  
24 The calculation shall be that one year of service in a nonschool  
25 position counts as one year of service for purposes of this chapter, up  
26 to a limit of two years of nonschool service. Nonschool years of  
27 service included in calculations under this subsection shall not be  
28 applied to service credit totals for purposes of any retirement benefit  
29 under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement  
30 system benefits.

31 **Sec. 11.** RCW 28A.175.010 and 2005 c 207 s 3 are each amended to  
32 read as follows:

33 Each school district shall account for the educational progress of  
34 each of its students. To achieve this, school districts shall be  
35 required to report annually to the superintendent of public  
36 instruction:

1           (1) For students enrolled in each of a school district's high  
2 school programs:

3           (a) The number of students who graduate in fewer than four years;  
4           (b) The number of students who graduate in four years;  
5           (c) The number of students who remain in school for more than four  
6 years but who eventually graduate and the number of students who remain  
7 in school for more than four years but do not graduate;  
8           (d) The number of students who transfer to other schools;  
9           (e) The number of students in the ninth through twelfth grade who  
10 drop out of school over a four-year period; and  
11           (f) The number of students whose status is unknown.

12           (2) Dropout rates of students in each of the grades seven through  
13 twelve.

14           (3) Dropout rates for student populations in each of the grades  
15 seven through twelve by:

16           (a) Ethnicity;  
17           (b) Gender;  
18           (c) Socioeconomic status; and  
19           (d) Disability status.

20           (4) The causes or reasons, or both, attributed to students for  
21 having dropped out of school in grades seven through twelve.

22           (5) The superintendent of public instruction shall adopt rules  
23 under chapter 34.05 RCW to assure uniformity in the information  
24 districts are required to report under subsections (1) through (4) of  
25 this section. In developing rules, the superintendent of public  
26 instruction shall consult with school districts, including  
27 administrative and counseling personnel, with regard to the methods  
28 through which information is to be collected and reported.

29           (6) In reporting on the causes or reasons, or both, attributed to  
30 students for having dropped out of school, school building officials  
31 shall, to the extent reasonably practical, obtain such information  
32 directly from students. In lieu of obtaining such information directly  
33 from students, building principals and counselors shall identify the  
34 causes or reasons, or both, based on their professional judgment.

35           (7) The superintendent of public instruction shall report annually  
36 to the legislature the information collected under subsections (1)  
37 through (4) of this section.

1       (8) The Washington state institute for public policy shall  
2 calculate an annual estimate of the savings to taxpayers resulting from  
3 any improvement compared to the prior school year in the extended  
4 graduation rate, as calculated by the superintendent of public  
5 instruction. The superintendent shall include the estimate from the  
6 institute in an appendix of the report required under subsection (7) of  
7 this section, beginning with the 2010 report.

8       NEW SECTION. Sec. 12. A new section is added to chapter 28A.300  
9 RCW to read as follows:

10       The office of the superintendent of public instruction shall  
11 implement and maintain an internet-based portal that provides ready  
12 public access to the state's prototypical school funding model for  
13 basic education under RCW 28A.150.260. The portal must provide  
14 citizens the opportunity to view, for each local school building, the  
15 staffing levels and other prototypical school funding elements that are  
16 assumed under the state funding formula. The portal must also provide  
17 a matrix displaying how individual school districts are deploying those  
18 same state resources through their allocation of staff and other  
19 resources to school buildings, so that citizens are able to compare the  
20 state assumptions to district allocation decisions for each local  
21 school building.

22       **Sec. 13.** RCW 28A.150.100 and 1990 c 33 s 103 are each amended to  
23 read as follows:

24       (1) For the purposes of this section and RCW 28A.150.410 and  
25 28A.400.200, "basic education certificated instructional staff"  
26 (~~shall~~) means all full-time equivalent classroom teachers, teacher  
27 librarians, guidance counselors, certificated student health services  
28 staff, and other certificated instructional staff in the following  
29 programs as defined for statewide school district accounting purposes:  
30 Basic education, secondary vocational education, general instructional  
31 support, and general supportive services.

32       (2) (~~In the 1988-89 school year and thereafter,~~) Each school  
33 district shall maintain a ratio of at least forty-six basic education  
34 certificated instructional staff to one thousand annual average full  
35 time equivalent students.

1       **Sec. 14.** 2009 c 548 s 710 (uncodified) is amended to read as  
2 follows:

3       (1) RCW 28A.150.030 (School day) and 1971 ex.s. c 161 s 1 & 1969  
4 ex.s. c 223 s 28A.01.010;

5       (2) RCW 28A.150.060 (Certificated employee) and 2005 c 497 s 212,  
6 1990 c 33 s 102, 1977 ex.s. c 359 s 17, 1975 1st ex.s. c 288 s 21, &  
7 1973 1st ex.s. c 105 s 1;

8       (3) (~~RCW 28A.150.100 (Basic education certificated instructional~~  
9 ~~staff Definition Ratio to students) and 1990 c 33 s 103 & 1987 1st~~  
10 ~~ex.s. c 2 s 203;~~

11       (4)) RCW 28A.150.040 (School year--Beginning--End) and 1990 c 33  
12 s 101, 1982 c 158 s 5, 1977 ex.s. c 286 s 1, 1975-'76 2nd ex.s. c 118  
13 s 22, & 1969 ex.s. c 223 s 28A.01.020;

14       ((+5)) (4) RCW 28A.150.370 (Additional programs for which  
15 legislative appropriations must or may be made) and 1995 c 335 s 102,  
16 1995 c 77 s 5, 1990 c 33 s 114, 1982 1st ex.s. c 24 s 1, & 1977 ex.s.  
17 c 359 s 7; and

18       ((+6)) (5) RCW 28A.155.180 (Safety net funds--Application--  
19 Technical assistance--Annual survey) and 2007 c 400 s 8.

20       **Sec. 15.** RCW 28A.290.010 and 2009 c 548 s 114 are each amended to  
21 read as follows:

22       (1) The quality education council is created to recommend and  
23 inform the ongoing implementation by the legislature of an evolving  
24 program of basic education and the financing necessary to support such  
25 program. The council shall develop strategic recommendations on the  
26 program of basic education for the common schools. The council shall  
27 take into consideration the capacity report produced under RCW  
28 28A.300.172 and the availability of data and progress of implementing  
29 the data systems required under RCW 28A.655.210. Any recommendations  
30 for modifications to the program of basic education shall be based on  
31 evidence that the programs effectively support student learning. The  
32 council shall update the statewide strategic recommendations every four  
33 years. The recommendations of the council are intended to:

34       (a) Inform future educational policy and funding decisions of the  
35 legislature and governor;

36       (b) Identify measurable goals and priorities for the educational  
37 system in Washington state for a ten-year time period, including the

1 goals of basic education and ongoing strategies for coordinating  
2 statewide efforts to eliminate the achievement gap and reduce student  
3 dropout rates; and

4 (c) Enable the state of Washington to continue to implement an  
5 evolving program of basic education.

6 (2) The council may request updates and progress reports from the  
7 office of the superintendent of public instruction, the state board of  
8 education, the professional educator standards board, and the  
9 department of early learning on the work of the agencies as well as  
10 educational working groups established by the legislature.

11 (3) The chair of the council shall be selected from the  
12 councilmembers. The council shall be composed of the following  
13 members:

14 (a) Four members of the house of representatives, with two members  
15 representing each of the major caucuses and appointed by the speaker of  
16 the house of representatives;

17 (b) Four members of the senate, with two members representing each  
18 of the major caucuses and appointed by the president of the senate;  
19 (~~and~~)

20 (c) One representative each from the office of the governor, office  
21 of the superintendent of public instruction, state board of education,  
22 professional educator standards board, and department of early  
23 learning; and

24 (d) One nonlegislative representative from the achievement gap  
25 oversight and accountability committee established under RCW  
26 28A.300.136, to be selected by the members of the committee.

27 (4) In the 2009 fiscal year, the council shall meet as often as  
28 necessary as determined by the chair. In subsequent years, the council  
29 shall meet no more than four times a year.

30 (5)(a) The council shall submit an initial report to the governor  
31 and the legislature by January 1, 2010, detailing its recommendations,  
32 including recommendations for resolving issues or decisions requiring  
33 legislative action during the 2010 legislative session, and  
34 recommendations for any funding necessary to continue development and  
35 implementation of chapter 548, Laws of 2009.

36 (b) The initial report shall, at a minimum, include:

37 (i) Consideration of how to establish a statewide beginning teacher  
38 mentoring and support system;



1 (ii) Recommendations for a program of early learning for at-risk  
2 children;

3 (iii) A recommended schedule for the concurrent phase-in of the  
4 changes to the instructional program of basic education and the  
5 implementation of the funding formulas and allocations to support the  
6 new instructional program of basic education as established under  
7 chapter 548, Laws of 2009. The phase-in schedule shall have full  
8 implementation completed by September 1, 2018; and

9 (iv) A recommended schedule for phased-in implementation of the new  
10 distribution formula for allocating state funds to school districts for  
11 the transportation of students to and from school, with phase-in  
12 beginning no later than September 1, 2013.

13 (6) The council shall submit a report to the governor and the  
14 legislature by December 1, 2010, that includes:

15 (a) Recommendations for specific strategies, programs, and funding,  
16 including funding allocations through the funding distribution formula  
17 in RCW 28A.150.260, that are designed to close the achievement gap and  
18 increase the high school graduation rate in Washington public schools.  
19 The council shall consult with the achievement gap oversight and  
20 accountability committee and the building bridges work group in  
21 developing its recommendations; and

22 (b) Recommendations for assuring adequate levels of state-funded  
23 classified staff to support essential school and district services.

24 (7) The council shall be staffed by the office of the  
25 superintendent of public instruction and the office of financial  
26 management. Additional staff support shall be provided by the state  
27 entities with representatives on the committee. Senate committee  
28 services and the house of representatives office of program research  
29 may provide additional staff support.

30 ((+7)) (8) Legislative members of the council shall serve without  
31 additional compensation but may be reimbursed for travel expenses in  
32 accordance with RCW 44.04.120 while attending sessions of the council  
33 or on official business authorized by the council. Nonlegislative  
34 members of the council may be reimbursed for travel expenses in  
35 accordance with RCW 43.03.050 and 43.03.060.

36 **Sec. 16.** 2009 c 548 s 805 (uncodified) is amended to read as  
37 follows:

1 Sections 304 through 311 of this act take effect September 1,  
2 ((2013)) 2011.

3 NEW SECTION. **Sec. 17.** 2009 c 548 s 112, as amended by section 5  
4 of this act, is codified as a section in chapter 28A.290 RCW.

5 NEW SECTION. **Sec. 18.** RCW 43.41.398 is recodified as a section in  
6 chapter 28A.400 RCW.

7 NEW SECTION. **Sec. 19.** Sections 2, 3, 4, 8, 10, 13, and 14 of this  
8 act take effect September 1, 2011.

9 NEW SECTION. **Sec. 20.** Section 6 of this act is necessary for the  
10 immediate preservation of the public peace, health, or safety, or  
11 support of the state government and its existing public institutions,  
12 and takes effect immediately.

--- END ---