
Education Committee

HB 2955

Brief Description: Creating a joint task force on K-12 finance.

Sponsors: Representatives Hunter, Jarrett, Haigh, Cox, Tom, Schual-Berke, Kagi, Quall, Ruderman, Hunt, Santos, Armstrong, Nixon, O'Brien, Rockefeller, Edwards, Linville, Wallace, Conway and Morrell.

Brief Summary of Bill

- Creates a task force to study the school finance system and to propose alternatives to that system.
- Describes a set of principles upon which to base the alternative finance systems.
- Requires a report to the legislature by October 1, 2006.

Hearing Date: 2/4/04

Staff: Susan Morrissey (786-7111).

Background:

The state constitution establishes the education of all children as the paramount duty of the state, and requires the Legislature to provide for a system of public schools. The constitution is the foundation upon which three school funding decisions made in the 1970s and 1980s rested. Those decisions, coupled with subsequent state laws and court decisions, have helped shape the budget formulas used to determine the state support for the public education. In order to meet its paramount duty, the Legislature dedicates almost one-half of the state's general fund monies to support the education of children in the public schools.

The funding system begins with state-supervised school district budgeting, accounting, and financial reporting practices. State resources, supplemented by local and federal monies, are distributed through funding formulas to equalize educational opportunities throughout the state. Basic education and categorical programs are state supported through these formulas. State resources include state general fund revenue, other state revenues, state property taxes, and timber excise taxes.

Every few years, the Legislature revisits various aspects of school funding. The 1998 Legislature directed the Joint Legislative Audit and Review Committee to study the financing system for the public schools. The study included a review of school district revenue and expenditure practices,

resource allocations within selected districts, and available data sources. The study also addressed class size and personnel deployment issues. It was presented to the Legislature in 1999.

Summary of Bill:

The joint task force on K-12 finance is created to study the current financing structure and to develop alternative funding models. The task force will include the Governor and Superintendent of Public Instruction (SPI) or their designees, and eight members of the Legislature, two from each major caucus of the House of Representatives and the Senate respectively. The Governor will appoint the chair of the task force.

The task force will form a subcommittee that includes educators, principals, administrators, school directors, educational service districts, the Gates Foundation, the Center for Reinventing Education and organizations representing employers and employees.

Staff support will be provided by the office of financial management, OSPI, and legislative committee staff. The members of the task force and the advisory committee will have their travel expenses reimbursed by their own agencies.

The task force will compare the state's school funding system with those in other states that link their finance system to education reform and expected levels of student achievement. It will design alternative school finance systems that reflect a set of principles. The principles include funding equity, the recognition of staffing costs, funding stability and predictability, local flexibility, accountability, and a split between local and state funding responsibilities. One or more of the alternatives will be based on the existing expenditure level for public schools. Other alternatives may include new or additional funding.

The task force will also consider alternative compensation models that attract and retain high performing teachers. It may consider compensation systems that reward teachers for improving skills and knowledge that lead to improved student achievement and those that recognize regional cost of living differences. The task force will also review the role and appropriate compensation for noncertificated staff.

The task force will report its findings and recommendations to the Legislature by October 1, 2006. The act expires on January 1, 2007.

Differences Between the original bill and the proposed substitute:

The task force is expanded to include eight rather than four legislators. The task force will form an advisory group that includes broad representation from the educational community, employer and employee organizations, and two members who were formerly included on the task force. The task force will review constitutional funding requirements, it will not be required to consider compensation models that recognize superior performance and it will include at least one alternative model within existing revenue levels. The Office of Financial Management and OSPI as well as legislative committee staff will help support the task force. Each agency or organization is responsible for reimbursing the travel expenses of its members. Technical corrections are made and the emergency clause is removed.

Appropriation: None.

Fiscal Note: Requested on January 29, 2004.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.