

SENATE BILL REPORT

E2SHB 2955

As of February 26, 2004

Title: An act relating to creating a joint task force on K-12 finance.

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

Sponsors: House Committee on Appropriations (originally sponsored by 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 History:

Committee Activity: Ways & Means:

SENATE COMMITTEE ON WAYS & MEANS

Staff: Bryon Moore (786-7726)

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 school funding models. The task force includes the Governor and the Superintendent of Public Instruction or their designees, and eight members of the Legislature, two from each major caucus of the House of Representative and the Senate respectively. The Governor appoints the chair of the task force.

The task force must 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 is provided by the Office of Financial Management, the Office of the Superintendent of Public Instruction, and legislative committee staff. The members of the task force and the advisory committee have their travel expenses reimbursed by their own agencies and organizations.

The task force must 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 must be based on the existing expenditure level for public schools. Other alternatives may include new or additional funding.

The task force is to 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 is to also review the role and appropriate compensation for noncertificated staff.

The task force must report its findings and recommendations to the Legislature by October 1, 2006. The act expires on June 30, 2007.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.