

# HOUSE BILL REPORT

## E2SSB 5441

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**As Reported by House Committee On:**  
Appropriations

**Title:** An act relating to studying early learning, K-12, and higher education.

**Brief Description:** Requiring an education and higher education finance study.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Weinstein, McAuliffe, Prentice, Kohl-Welles, Eide, Berkey, Poulsen, Keiser, Brown, Fraser, Shin, Haugen, Schmidt, Kline, Rockefeller, Spanel and Rasmussen; by request of Governor Gregoire).

**Brief History:**

**Committee Activity:**

Appropriations: 3/21/05, 4/2/05 [DPA].

**Brief Summary of Engrossed Second Substitute Bill  
(As Amended by House Committee)**

- Creates the Comprehensive Education Study Steering Committee (Steering Committee).
- Directs the Steering Committee to study early learning, K-12 finance, and higher education.

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass as amended. Signed by 19 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Anderson, Assistant Ranking Minority Member; Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, McIntire, Miloscia, Priest and Schual-Berke.

**Minority Report:** Do not pass. Signed by 9 members: Representatives Alexander, Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Bailey, Buri, Clements, Hinkle, Pearson, Talcott and Walsh.

**Staff:** Denise Graham (786-7137).

**Background:**

Child care and early learning programs in the state are administered through three state agencies: the Department of Social and Health Services (DSHS), the Department of

Community, Trade and Economic Development (DCTED), and the Office of the Superintendent of Public Instruction (OSPI). The Division of Child Care and Early Learning (DCCEL) within the Economic Services Administration in the DSHS licenses child care homes and centers, develops policy and procedures for the state's child care subsidy program, and directs the Head Start-State Collaboration Project. The DCTED administers the Early Childhood Education and Assistance Program (ECEAP), which is the state's preschool program. The OSPI administers services and programs relating to child care and early learning, including family literacy programs, special education for children 3 years of age and older, and the nutrition assistance program for child care. Training and professional development programs for early learning professionals are available through such sources as the State Training and Registry System and the state's higher education.

The K-12 funding system begins with state-supervised school district budgeting, accounting, and financial reporting practices. State resources, supplemented by local and federal moneys, are distributed through funding formulas to equalize educational opportunities throughout the state. Basic education and categorical programs are state supported through these formulas. During the 2004 interim, the House K-12 Finance Workgroup examined the state K-12 funding formulas and recommended further examination of compensation allocations, the special education funding structure, student transportation funding formulas, and local levy and levy equalization formulas.

Funding for higher education includes the state's four-year universities, the community and technical college system, state financial aid programs, and the Higher Education Coordinating Board (HECB). This funding is not allocated based on formulas. Instead, the Legislature makes decisions about items such as adding new enrollment, increasing tuition, maintaining financial aid, and creating new programs or initiatives. Governance of the four-year universities rests with boards of trustees and regents of each institution. The HECB serves a policy, planning, and administrative function. The 34 community and technical colleges each have a Board of Trustees, but the State Board for Community and Technical Colleges has authority over the college system, including distributing funding among the colleges.

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### **Summary of Amended Bill:**

The Comprehensive Education Study Steering Committee (Steering Committee) is created to direct and coordinate comprehensive studies on early learning, K-12 finance, and higher education, and to make recommendations based on those studies. The Governor will chair the Steering Committee. Other members are the Director of the Office of Finance Management; two members from the House of Representatives and two members from the Senate; four citizens appointed by the Governor; and the chairs of each of the three advisory committees. The Steering Committee will be staffed by the Office of Financial Management.

Members of the advisory committees on K-12 and higher education will be appointed by the Steering Committee, except that each major caucus in the House and in the Senate will appoint one member to serve on the K-12 committee and one member to serve on the higher

education committee. The Superintendent of Public Instruction will chair the advisory committee on K-12. The Governor will appoint the chair of the advisory committee on higher education from a list of names submitted by the State Board for Community and Technical Colleges, the Higher Education Coordinating Board, and the Council of Presidents. The Early Learning Council created by ESHB 1152 will serve as the advisory committee on early learning.

The early learning study will include determining the state's role in supporting quality early learning and in training persons providing services. The K-12 finance study will include potential changes to the current finance system, assuring accountability, and improving governance. The higher education study will include options for creating a new funding system; the number and distribution of enrollments needed to meet demographic and work force training needs; the appropriate share of the cost of instruction among tuition, state general fund subsidies, and financial aid; and a review of higher education governance.

The Steering Committee is required to provide interim reports to the appropriate policy and fiscal committees of the Legislature by November 15, 2005, and June 16, 2006. The final report and recommendations of the Steering Committee shall be submitted by November 15, 2006.

**Amended Bill Compared to Engrossed Second Substitute Bill:**

The amendments adopted by the Appropriations Committee add two Senators and two Representatives to the K-12 and higher education advisory committees; provide that the Early Learning Council created in ESHB 1152 serve as the advisory committee on early learning; add improving English language learner instruction and developing a new salary system to the list of topics to be covered by the K-12 study; add methods of developing common articulation of lower division work to the list of topics to be covered by the higher education study; and direct the Steering Committee to pay particular attention to legislatively directed studies.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** HB 1152 and this bill should be aligned before the bill moves out of committee. The education funding system is held together with bubble gum and band-aids. This is the right time for this study so we can provide the right amount of funding at the right times to get all kids to standard. We are pleased that timelines have been added to the bill. The study is important so that resources can be found and put into a performance-based system.

**Testimony Against:** None.

**Persons Testifying:** Senator Weinstein, prime sponsor; Lonnie Johns-Brown, The Collaborative; Mitch Denning, Alliance of Educational Associations; Don Rash, Association of Washington School Principals; Mary Kenfield, State PTA; Dan Steele, Washington State School Director's Associations; Barbara Mertens, Washington Association of School Administrators; and Randy Parr, Association of Washington School Principals.

**Persons Signed In To Testify But Not Testifying:** None.