<u>2SSB 6195</u> - S AMD 625 By Senator Rivers

ADOPTED 02/16/2016

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. INTENT. During the past two biennia, the 3 legislature has demonstrated its commitment to funding education 4 through strong bipartisan support for funding its statutory formulas 5 6 for: Pupil transportation; materials, supplies, and operating costs; 7 full-day kindergarten; and class size reductions. In the 2015-2017 biennial budget, the legislature specifically increased funding to 8 9 reduce class sizes in grades K-3. The legislature further included the previously scheduled 2017-2019 biennium completion of K-3 class 10 11 size reduction funding in its adopted four-year budget outlook. The legislature has planned for and is fully committed to completing the 12 13 scheduled phase in of K-3 class size reduction in the 2017-2019 14 biennium.

The state is fully committed to funding its program of basic education as defined in statute and to eliminating school district dependency on local levies for implementation of the state's program of basic education. It is the intent of the legislature to provide state funding for competitive salaries and benefits that are sufficient to hire and retain competent certificated instructional staff, administrators, and classified staff. Additionally, the legislature intends to minimize any disruptive impact to school districts and taxpayers.

The legislature finds that the lack of transparency in school district data regarding how districts use local levy funds limits its ability to make informed decisions concerning teacher compensation. Previous studies have analyzed market data for educator compensation and have provided recommendations on revisions to state allocation formulas, but these studies did not provide data and analysis of compensation paid by districts above basic education salary allocations above the statutory prototypical school model, the source of funding for this compensation, and the duties, uses, or categories

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- 1 for which that compensation is paid. This foundational data is 2 necessary to inform the legislature's decisions.
- 3 <u>NEW SECTION.</u> **Sec. 2.** EDUCATION FUNDING TASK FORCE ESTABLISHED.

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- (1) The education funding task force is established to continue the work of the governor's informal work group to review the data and analysis provided by the consultant retained under section 3 of this act and must make recommendations to the legislature on implementing the program of basic education as defined in statute.
- (2) Using the data and analysis provided by the consultant and the previous body of work provided to the legislature, the task force must, at a minimum, make recommendations for compensation that is sufficient to hire and retain the staff funded under the statutory prototypical school funding model and an associated salary allocation model. The recommendations must also include provisions indicating whether:
- 16 (a) A system for future salary adjustments should be incorporated 17 into the salary allocation model and if so, the method for providing 18 the adjustment; and
- 19 (b) A local labor market adjustment formula should be 20 incorporated into the salary allocation model and if so, the method 21 for providing the adjustment. This must include considerations for 22 rural and remote districts and districts with economic and 23 distressing factors that affect recruitment and retention.
 - (3) The task force must review available information to determine whether additional state legislation is needed to help school districts to support state-funded all-day kindergarten and class size reduction in kindergarten through third grade.
 - (4) The task force must review the report on addressing the problem of teacher shortages prepared by the professional educator standards board. The task force must make recommendations for improving or expanding existing educator recruitment and retention programs.
 - (5) The task force must also make recommendations regarding:
- 34 (a) Local maintenance and operation levies and local effort 35 assistance;
 - (b) Local school district collective bargaining;
- 37 (c) Clarifying the distinction between services provided as part 38 of the state's statutory program of basic education and services that 39 may be provided as local enrichment;

- 1 (d) Required district reporting, accounting, and transparency of data and expenditures;
- 3 (e) The provision and funding method for school employee health 4 benefits; and
- 5 (f) Sources of state revenue to support the state's statutory 6 program of basic education.
 - (6) The task force consists of the following members:

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- 8 (a) Eight legislators, with two members from each of the two 9 largest caucuses of the senate appointed by the leaders of each of 10 the two largest caucuses of the senate, and two members from each of 11 the two largest caucuses of the house of representatives appointed by 12 the speaker of the house of representatives; and
- 13 (b) The governor or the governor's designee as a nonvoting member 14 to serve as facilitator.
- 15 (7) Recommendations of the task force require the affirmative 16 vote of five of its members.
 - (8) Staff support for the task force must be provided by the house of representatives office of program research and senate committee services, with additional staff support provided by the office of financial management.
- 21 (9) Meetings of the task force shall comply with Joint Rule 10, 22 Senate Rule 45, and House of Representatives Rule 24.
 - (10) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.
- 28 (11) The task force recommendations and any supporting 29 legislation must be submitted to the legislature by January 9, 2017.
- NEW SECTION. Sec. 3. ANALYSIS OF K-12 PUBLIC SCHOOL STAFF COMPENSATION. (1) In consultation with the education funding task force established in section 2 of this act, the Washington state institute for public policy shall contract for independent professional consulting services to:
- 35 (a) Collect K-12 public school staff total compensation data, and 36 within that data, provide an analysis of compensation paid in 37 addition to basic education salary allocations under the statutory 38 prototypical school model, source of funding, and the duties, uses, 39 or categories for which that compensation is paid;

- 1 (b) Identify market rate salaries that are comparable to each of 2 the staff types in the prototypical school funding model; and
 - (c) Provide analysis regarding whether a local labor market adjustment formula should be implemented and if so which market adjustment factors and methods should be used.
 - (2) The superintendent of public instruction must collect, and school districts and other applicable local education agencies must provide, compensation data necessary to implement this section with sufficient time for the consultant to accomplish the work required by this section. Data must be in the format necessary to meet the needs of the consultant. The superintendent of public instruction must provide this information to the Washington state institute for public policy, the office of financial management, and the education funding task force, for use by the consultant and the task force.
- 15 (3) The consultant must provide an interim report to the education funding task force and the governor by September 1, 2016.
- 17 (4) The consultant's final data and analysis must be provided to 18 the education funding task force and the governor by November 15, 2016.
- NEW SECTION. Sec. 4. LOCAL LEVIES—LEGISLATIVE ACTION.
 Legislative action shall be taken by the end of the 2017 session to
 eliminate school district dependency on local levies for
 implementation of the state's program of basic education.
- NEW SECTION. Sec. 5. APPROPRIATIONS. (1) The sum of two hundred fifty thousand dollars, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2016, from the general fund to The Evergreen State College to fund the Washington state institute for public policy contract with independent professional consulting services as required in section 3 of this act.
- 31 (2) The sum of two hundred fifty thousand dollars, or as much 32 thereof as may be necessary, is appropriated for the fiscal year 33 ending June 30, 2017, from the general fund to The Evergreen State 34 College to fund the Washington state institute for public policy 35 contract with independent professional consulting services as 36 required in section 3 of this act.

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- NEW SECTION. Sec. 6. EXPIRATION DATE. This act expires June 30, 1
- 2017. 2

- NEW SECTION. Sec. 7. This act is necessary for the immediate 3
- preservation of the public peace, health, or safety, or support of 4
- 5 the state government and its existing public institutions, and takes
- 6 effect immediately."

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7 On page 1, line 1 of the title, after "obligations;" strike the remainder of the title and insert "creating new sections; making appropriations; providing an expiration date; and declaring an 9 10 emergency."

EFFECT: Strikes entire underlying bill.

Replaces with Engrossed Substitute House Bill No. 2366 as it passed the House: Establishes the Education Funding Task Force to continue the work of the governor's informal work group to make recommendations to the Legislature on implementing the program of basic education. Appropriates \$500,000 for the Washington State Institute for Public Policy to contract for independent professional consulting services. Directs the Legislature to take legislative action by the end of the 2017 session to eliminate school district dependency on local levies for implementation of the state's program of basic education.

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