
SUBSTITUTE HOUSE BILL 2366

State of Washington

64th Legislature

2016 Regular Session

By House Appropriations (originally sponsored by Representatives Lytton, Magendanz, Sullivan, Caldier, Kochmar, Rossetti, Muri, Haler, and Santos)

READ FIRST TIME 01/25/16.

1 AN ACT Relating to basic education obligations; creating new
2 sections; making appropriations; providing an expiration date; and
3 declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** INTENT. INTENT. During the past two
6 biennia, the legislature has demonstrated its commitment to funding
7 education through strong bipartisan support for funding its statutory
8 formulas for: Pupil transportation; materials, supplies, and
9 operating costs; full-day kindergarten; and class size reductions. In
10 the 2015-2017 biennial budget, the legislature specifically increased
11 funding to reduce class sizes in grades K-3. The legislature further
12 included the previously scheduled 2017-2019 biennium completion of
13 K-3 class size reduction funding in its adopted four-year budget
14 outlook. The legislature has planned for and is fully committed to
15 completing the scheduled phase in of K-3 class size reduction in the
16 2017-2019 biennium.

17 The state is fully committed to funding its program of basic
18 education as defined in statute and to eliminating school district
19 dependency on local levies for implementation of the state's program
20 of basic education. It is the intent of the legislature to provide
21 state funding for competitive salaries and benefits that are

1 sufficient to hire and retain competent certificated instructional
2 staff, administrators, and classified staff. Additionally, the
3 legislature intends to minimize any disruptive impact to school
4 districts and taxpayers.

5 The legislature finds that the lack of transparency in school
6 district data regarding how districts use local levy funds limits its
7 ability to make informed decisions concerning teacher compensation.
8 Previous studies have analyzed market data for educator compensation
9 and have provided recommendations on revisions to state allocation
10 formulas, but these studies did not provide data and analysis of
11 compensation paid by districts above basic education salary
12 allocations above the statutory prototypical school model, the source
13 of funding for this compensation, and the duties, uses, or categories
14 for which that compensation is paid. This foundational data is
15 necessary to inform the legislature's decisions.

16 NEW SECTION. **Sec. 2.** EDUCATION FUNDING TASK FORCE ESTABLISHED.

17 EDUCATION FUNDING TASK FORCE ESTABLISHED. (1) The education funding
18 task force is established to continue the work of the governor's
19 informal work group to review the data and analysis provided by the
20 consultant retained under section 3 of this act and must make
21 recommendations to the legislature on implementing the program of
22 basic education as defined in statute.

23 (2) Using the data and analysis provided by the consultant and
24 the previous body of work provided to the legislature, the task force
25 must, at a minimum, make recommendations for compensation that is
26 sufficient to hire and retain the staff funded under the statutory
27 prototypical school funding model and an associated salary allocation
28 model. The recommendations must also include provisions indicating
29 whether:

30 (a) A system for future salary adjustments should be incorporated
31 into the salary allocation model and if so, the method for providing
32 the adjustment; and

33 (b) A local labor market adjustment formula should be
34 incorporated into the salary allocation model and if so, the method
35 for providing the adjustment. This must include considerations for
36 rural and remote districts and districts with economic and
37 distressing factors that affect recruitment and retention.

38 (3) The task force must review the Washington State University
39 report on inventories and assessment of the condition of Washington's

1 schools. The task force must make recommendations to the legislature
2 on how to achieve sufficient classroom facilities to fully
3 accommodate K-3 class size reduction, while maintaining the existing
4 shared responsibility of local districts and the state to fund school
5 construction.

6 (4) The task force must review the report on addressing the
7 problem of teacher shortages prepared by the professional educator
8 standards board. The task force must make recommendations for
9 improving or expanding existing educator recruitment and retention
10 programs.

11 (5) The task force must also make recommendations regarding:

12 (a) Local maintenance and operation levies and local effort
13 assistance;

14 (b) Local school district collective bargaining;

15 (c) Clarifying the distinction between services provided as part
16 of the state's statutory program of basic education and services that
17 may be provided as local enrichment;

18 (d) Required district reporting, accounting, and transparency of
19 data and expenditures;

20 (e) The provision and funding method for school employee health
21 benefits; and

22 (f) Sources of state revenue to support the state's statutory
23 program of basic education.

24 (6) The task force consists of the following members:

25 (a) Eight legislators, with two members from each of the two
26 largest caucuses of the senate appointed by the leaders of each of
27 the two largest caucuses of the senate, and two members from each of
28 the two largest caucuses of the house of representatives appointed by
29 the speaker of the house of representatives; and

30 (b) The governor or the governor's designee as a nonvoting member
31 to serve as facilitator.

32 (7) Recommendations of the task force require the affirmative
33 vote of five of its members.

34 (8) Staff support for the task force must be provided by the
35 house of representatives office of program research and senate
36 committee services, with additional staff support provided by the
37 office of financial management.

38 (9) Meetings of the task force shall comply with Joint Rule 10,
39 Senate Rule 45, and House of Representatives Rule 24.

1 (10) The expenses of the task force must be paid jointly by the
2 senate and the house of representatives. Task force expenditures are
3 subject to approval by the senate facilities and operations committee
4 and the house of representatives executive rules committee, or their
5 successor committees.

6 (11) The task force recommendations and any supporting
7 legislation must be submitted to the legislature by January 9, 2017.

8 NEW SECTION. **Sec. 3.** ANALYSIS OF K-12 PUBLIC SCHOOL STAFF
9 COMPENSATION. ANALYSIS OF K-12 PUBLIC SCHOOL STAFF COMPENSATION. (1)
10 In consultation with the education funding task force established in
11 section 2 of this act, the Washington state institute for public
12 policy shall contract for independent professional consulting
13 services to:

14 (a) Collect K-12 public school staff total compensation data, and
15 within that data, provide an analysis of compensation paid in
16 addition to basic education salary allocations under the statutory
17 prototypical school model, source of funding, and the duties, uses,
18 or categories for which that compensation is paid;

19 (b) Identify market rate salaries that are comparable to each of
20 the staff types in the prototypical school funding model; and

21 (c) Provide analysis regarding whether a local labor market
22 adjustment formula should be implemented and if so which market
23 adjustment factors and methods should be used.

24 (2) The superintendent of public instruction must collect, and
25 school districts and other applicable local education agencies must
26 provide, compensation data necessary to implement this section with
27 sufficient time for the consultant to accomplish the work required by
28 this section. Data must be in the format necessary to meet the needs
29 of the consultant. The superintendent of public instruction must
30 provide this information to the Washington state institute for public
31 policy, the office of financial management, and the education funding
32 task force, for use by the consultant and the task force.

33 (3) The consultant must provide an interim report to the
34 education funding task force and the governor by September 1, 2016.

35 (4) The consultant's final data and analysis must be provided to
36 the education funding task force and the governor by November 15,
37 2016.

1 NEW SECTION. **Sec. 4.** LOCAL LEVIES—LEGISLATIVE ACTION. LOCAL
2 LEVIES—LEGISLATIVE ACTION. Legislative action shall be taken by the
3 end of the 2017 session to eliminate school district dependency on
4 local levies for implementation of the state's program of basic
5 education.

6 NEW SECTION. **Sec. 5.** APPROPRIATIONS. APPROPRIATIONS. (1) The
7 sum of two hundred fifty thousand dollars, or as much thereof as may
8 be necessary, is appropriated for the fiscal year ending June 30,
9 2016, from the general fund to The Evergreen State College to fund
10 the Washington state institute for public policy contract with
11 independent professional consulting services as required in section 3
12 of this act.

13 (2) The sum of two hundred fifty thousand dollars, or as much
14 thereof as may be necessary, is appropriated for the fiscal year
15 ending June 30, 2017, from the general fund to The Evergreen State
16 College to fund the Washington state institute for public policy
17 contract with independent professional consulting services as
18 required in section 3 of this act.

19 NEW SECTION. **Sec. 6.** EXPIRATION DATE. EXPIRATION DATE. This act
20 expires June 30, 2017.

21 NEW SECTION. **Sec. 7.** This act is necessary for the immediate
22 preservation of the public peace, health, or safety, or support of
23 the state government and its existing public institutions, and takes
24 effect immediately.

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