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## Appropriations Committee

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### HB 1282

**Brief Description:** Concerning career and technical education funding.

**Sponsors:** Representatives Tarleton, Manweller, Ortiz-Self, Young, Gregerson, Haler, Hayes, Van Werven, McBride, Fey, Santos, Muri, Bergquist and Frame.

#### Brief Summary of Bill

- Revises the funding formula for state allocations for materials, supplies and operating costs (MSOC) for vocational students, requiring vocational MSOC funding levels to be allocated in a specific ratio to general education MSOC.
- Limits the use of vocational MSOC dollars to career and technical education MSOC, work-based learning programs, specific staff types, professional development, fees for industry-recognized certifications, and course equivalency development.

**Hearing Date:** 2/20/17

**Staff:** Jessica Harrell (786-7349).

#### Background:

*Basic education funding.* The prototypical school funding formula for basic education took effect September 1, 2011. The state's public school funding model allocates funding to school districts based on assumed levels of staff and other resources necessary to support a "prototypical" school that serves an assumed number of students at defined elementary, middle, and high school levels. The use of prototypical schools is intended to illustrate the level of resources needed to operate a school of a particular size using commonly understood terms such as class size, hours of instruction, and specified staff positions.

The structure of the formula, which appears in statute, provides allocations for classroom teachers at an assumed class size, plus other building-level staff such as principals, teacher-librarians, counselors, and office support. Based on these staffing ratios, the state uses salary assumptions for each of the different staff types to generate state funding allocations. The

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allocations to a school district are adjusted to reflect the full-time equivalent enrolled students, in proportion to the prototypical school ratios. In addition to the school-specific staffing that is allocated through the prototypical school model, the state's funding formulas include per-student allocations for materials, supplies and operating costs (MSOC) and additional support and instruction time through categorical program funding.

Funding for career and technical education and skill center programs assumes class sizes of 26.57 and 22.76 students, respectively. Allocations for MSOC for career and technical education are specified in the budget. For the 2016-17 school year, the MSOC allocation per student is \$1,286.99 per skill center student, and \$1,447.40 per career and technical education student. These class sizes and MSOC allocations provide an increased allocation per pupil as compared to the general education allocation for each basic education student in middle or high school.

The funding provided to school districts through the prototypical school formulas is for allocation purposes only. Districts have discretion over how the money is spent, subject to some limits. For career and technical education programs, indirect cost charges are limited to no more than 15 percent of the program allocation.

### **Summary of Bill:**

Legislative findings and declarations of intent are made regarding the state's need for a workforce that supports a highly diversified economy.

The funding allocation for vocational education MSOC is specified as a ratio of the general education MSOC rate. For the 2017-18 and 2018-19 school years, career and technical education MSOC must be funded at a rate that is 1.58 times the general education MSOC allocation, and skill centers must be funded at a rate that is 1.45 times the general education MSOC allocation. Beginning with the 2019-20 school year, the career and technical education ratio is increased to 2.14 times the general education MSOC rate and the skills center ratio is increased to 2.04 times the general education MSOC rate. School district allowable uses of the MSOC allocation are limited to:

- career and technical education MSOC;
- work-based learning programs, including internships and preapprenticeship programs;
- certified work-based learning coordinators and guidance counselors;
- expenses associated with career and technical education community partnerships involving expanded learning opportunities;
- professional development associated with vocational teacher training;
- student fees for national and state industry-recognized certifications; and
- course equivalency development to integrate core standards into career and technical education courses.

The maximum allowable indirect cost for career and technical education courses is limited to five percent of the school district allocation.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately, except for section 3, relating to prototypical school formulas, which takes effect September 1, 2022.