
SECOND SUBSTITUTE SENATE BILL 5313

State of Washington

66th Legislature

2019 Regular Session

By Senate Ways & Means (originally sponsored by Senator Wellman; by request of Office of Financial Management)

READ FIRST TIME 04/04/19.

1 AN ACT Relating to K-12 education; amending RCW 28A.500.015,
2 84.52.0531, 28A.400.200, and 28A.710.150; adding a new section to
3 chapter 41.59 RCW; and providing a contingent effective date.

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

5 **Sec. 1.** RCW 28A.500.015 and 2018 c 266 s 303 are each amended to
6 read as follows:

7 (1) Beginning in calendar year (~~(2019)~~) 2020 and each calendar
8 year thereafter, the state must provide state local effort assistance
9 funding to supplement school district enrichment levies as provided
10 in this section.

11 (2) For an eligible school district, annual local effort
12 assistance funding is equal to the school district's maximum local
13 effort assistance multiplied by a fraction equal to the lesser of the
14 school district's actual enrichment levy or the maximum allowable
15 local effort assistance levy divided by the school district's maximum
16 allowable (~~(enrichment)~~) local effort assistance levy.

17 (3) The state local effort assistance funding provided under this
18 section is not part of the state's program of basic education deemed
19 by the legislature to comply with the requirements of Article IX,
20 section 1 of the state Constitution.

1 (4) The definitions in this subsection apply throughout this
2 section unless the context clearly requires otherwise.

3 (a) "Eligible school district" means a school district whose
4 maximum allowable (~~(enrichment)~~) local effort assistance levy divided
5 by the school district's total student enrollment in the prior school
6 year is less than the state local effort assistance threshold.

7 (b) For the purpose of this section, "inflation" means (~~(, for any~~
8 ~~school year,)~~) the (~~(rate of the yearly increase of)~~) percentage
9 change in the (~~(previous calendar year's annual average consumer)~~)
10 implicit price (~~(index for all urban consumers, Seattle area, using~~
11 ~~the official current base compiled by)~~) deflator for personal
12 consumption expenditures for the (~~(bureau of labor statistics,)~~)
13 United States (~~(department of labor)~~) for the prior calendar year as
14 published in the November economic and revenue forecast by the
15 economic and revenue forecast council or successor agency.

16 (c) "Maximum allowable (~~(enrichment)~~) local effort assistance
17 levy" means (~~(the maximum levy permitted by RCW 84.52.0531)~~) one
18 dollar and fifty cents per thousand dollars of assessed value in the
19 school district.

20 (d) "Maximum local effort assistance" means the difference
21 between the following:

22 (i) The school district's actual prior school year enrollment
23 multiplied by the state local effort assistance threshold; and

24 (ii) The school district's maximum allowable (~~(enrichment)~~) local
25 effort assistance levy.

26 (e) "Prior school year" means the most recent school year
27 completed prior to the year in which the state local effort
28 assistance funding is to be distributed.

29 (f) "State local effort assistance threshold" means one thousand
30 five hundred dollars per student, increased for inflation beginning
31 in calendar year 2020.

32 (g) "Student enrollment" means the average annual full-time
33 equivalent student enrollment.

34 (5) For districts in a high/nonhigh relationship, the enrollments
35 of the nonhigh students attending the high school shall only be
36 counted by the nonhigh school districts for purposes of funding under
37 this section.

38 (6) For school districts participating in an innovation academy
39 cooperative established under RCW 28A.340.080, enrollments of
40 students attending the academy shall be adjusted so that each

1 participant district receives its proportional share of student
2 enrollments for purposes of funding under this section.

3 **Sec. 2.** RCW 84.52.0531 and 2018 c 266 s 307 are each amended to
4 read as follows:

5 (1) Beginning with taxes levied for collection in ~~((2019))~~ 2020,
6 the maximum dollar amount which may be levied by or for any school
7 district for enrichment levies under RCW 84.52.053 is equal to the
8 lesser of ~~((one))~~ two dollars and fifty cents per thousand dollars of
9 the assessed value of property in the school district or the maximum
10 per-pupil limit.

11 (2) The definitions in this subsection apply to this section
12 unless the context clearly requires otherwise.

13 (a) For the purpose of this section, "inflation" means ~~((, for any
14 school year,))~~ the ~~((rate of the yearly increase of))~~ percentage
15 change in the ~~((previous calendar year's annual average consumer))~~
16 implicit price ~~((index for all urban consumers, Seattle area, using
17 the official current base compiled by))~~ deflator for personal
18 consumption expenditures for the ~~((bureau of labor statistics,))~~
19 United States ~~((department of labor))~~ for the prior calendar year as
20 published in the November economic and revenue forecast by the
21 economic and revenue forecast council or successor agency.

22 (b) "Maximum per-pupil limit" means:

23 (i) Two thousand five hundred dollars, as increased by inflation
24 beginning with property taxes levied for collection in 2020,
25 multiplied by the number of average annual full-time equivalent
26 students enrolled in the school district in the prior school year,
27 for school districts with fewer than forty thousand annual full-time
28 equivalent students enrolled in the school district in the prior
29 school year; or

30 (ii) Three thousand dollars, as increased by inflation beginning
31 with property taxes levied for collection in 2020, multiplied by the
32 number of average annual full-time equivalent students enrolled in
33 the school district in the prior school year, for school districts
34 with forty thousand or more annual full-time equivalent students
35 enrolled in the school district in the prior school year. ~~((Beginning~~
36 ~~with property taxes levied for collection in 2020, the maximum per-~~
37 ~~pupil limit shall be increased by inflation.))~~

38 (c) "Prior school year" means the most recent school year
39 completed prior to the year in which the levies are to be collected.

1 (3) For districts in a high/nonhigh relationship, the enrollments
2 of the nonhigh students attending the high school shall only be
3 counted by the nonhigh school districts for purposes of funding under
4 this section.

5 (4) For school districts participating in an innovation academy
6 cooperative established under RCW 28A.340.080, enrollments of
7 students attending the academy shall be adjusted so that each
8 participant district receives its proportional share of student
9 enrollments for purposes of funding under this section.

10 (5) Beginning with propositions for enrichment levies for
11 collection in calendar year 2020 and thereafter, a district must
12 receive approval of an enrichment levy expenditure plan under RCW
13 28A.505.240 before submission of the proposition to the voters.

14 (6) The superintendent of public instruction shall develop rules
15 and regulations and inform school districts of the pertinent data
16 necessary to carry out the provisions of this section.

17 (7) Beginning with taxes levied for collection in 2018,
18 enrichment levy revenues must be deposited in a separate subfund of
19 the school district's general fund pursuant to RCW 28A.320.330, and
20 for the 2018-19 school year are subject to the restrictions of RCW
21 28A.150.276 and the audit requirements of RCW 43.09.2856.

22 (8) Funds collected from levies for transportation vehicles,
23 construction, modernization, or remodeling of school facilities as
24 established in RCW 84.52.053 are not subject to the levy limitations
25 in subsections (1) through (5) of this section.

26 (9) (a) To address the funding disparity resulting from charter
27 schools lacking access to local enrichment levy funds, the
28 superintendent of public instruction must distribute to each charter
29 school an amount based on the certified local enrichment levy per
30 pupil for the previous year for the school district in which the
31 charter school is located, multiplied by the student enrollment of
32 the charter school in the current school year, as follows:

33 (i) Beginning September 1, 2019, fifteen percent;

34 (ii) Beginning September 1, 2020, thirty percent;

35 (iii) Beginning September 1, 2021, forty-five percent;

36 (iv) Beginning September 1, 2022, sixty percent;

37 (v) Beginning September 1, 2023, seventy-five percent; and

38 (vi) Beginning September 1, 2024, and thereafter, one hundred
39 percent.

1 (b) The funding provided under this subsection (9) is not part of
2 the state's statutory program of basic education deemed by the
3 legislature to comply with the requirements of Article IX, section 1
4 of the state Constitution. Charter schools may use the funding
5 provided under this subsection (9) only to enrich the state's
6 statutory program of basic education.

7 **Sec. 3.** RCW 28A.400.200 and 2018 c 266 s 205 are each amended to
8 read as follows:

9 (1) Every school district board of directors shall fix, alter,
10 allow, and order paid salaries and compensation for all district
11 employees in conformance with this section.

12 (2) (a) Through the 2017-18 school year, salaries for certificated
13 instructional staff shall not be less than the salary provided in the
14 appropriations act in the statewide salary allocation schedule for an
15 employee with a baccalaureate degree and zero years of service;

16 (b) Salaries for certificated instructional staff with a master's
17 degree shall not be less than the salary provided in the
18 appropriations act in the statewide salary allocation schedule for an
19 employee with a master's degree and zero years of service; and

20 (c) Beginning with the 2018-19 school year:

21 (i) Salaries for full-time certificated instructional staff must
22 not be less than forty thousand dollars, to be adjusted for regional
23 differences in the cost of hiring staff as specified in RCW
24 28A.150.410, and to be adjusted annually by the same inflationary
25 measure as provided in RCW 28A.400.205;

26 (ii) Salaries for full-time certificated instructional staff with
27 at least five years of experience must exceed by at least ten percent
28 the value specified in (c) (i) of this subsection;

29 (iii) A district may not pay full-time certificated instructional
30 staff a salary that exceeds ninety thousand dollars, subject to
31 adjustment for regional differences in the cost of hiring staff as
32 specified in RCW 28A.150.410. This maximum salary is adjusted
33 annually by the inflationary measure in RCW 28A.400.205;

34 (iv) These minimum and maximum salaries apply to the services
35 provided as part of the state's statutory program of basic education
36 and exclude supplemental contracts for additional time,
37 responsibility, or incentive pursuant to this section or for
38 enrichment pursuant to RCW 28A.150.276;

1 (v) A district may pay a salary that exceeds this maximum salary
2 by up to ten percent for full-time certificated instructional staff:
3 Who are educational staff associates; who teach in the subjects of
4 science, technology, engineering, or math; or who teach in the
5 transitional bilingual instruction or special education programs.

6 (3) (a) (i) Through the 2017-18 school year the actual average
7 salary paid to certificated instructional staff shall not exceed the
8 district's average certificated instructional staff salary used for
9 the state basic education allocations for that school year as
10 determined pursuant to RCW 28A.150.410.

11 (ii) For the 2018-19 school year, salaries for certificated
12 instructional staff are subject to the limitations in RCW 41.59.800.

13 (iii) Beginning with the 2019-20 school year, for purposes of
14 subsection (4) of this section, RCW 28A.150.276, and 28A.505.100,
15 each school district must annually identify the actual salary paid to
16 each certificated instructional staff for services rendered as part
17 of the state's program of basic education.

18 (b) Through the 2018-19 school year, fringe benefit contributions
19 for certificated instructional staff shall be included as salary
20 under (a) (i) of this subsection only to the extent that the
21 district's actual average benefit contribution exceeds the amount of
22 the insurance benefits allocation, less the amount remitted by
23 districts to the health care authority for retiree subsidies,
24 provided per certificated instructional staff unit in the state
25 operating appropriations act in effect at the time the compensation
26 is payable. For purposes of this section, fringe benefits shall not
27 include payment for unused leave for illness or injury under RCW
28 28A.400.210; employer contributions for old age survivors insurance,
29 workers' compensation, unemployment compensation, and retirement
30 benefits under the Washington state retirement system; or employer
31 contributions for health benefits in excess of the insurance benefits
32 allocation provided per certificated instructional staff unit in the
33 state operating appropriations act in effect at the time the
34 compensation is payable. A school district may not use state funds to
35 provide employer contributions for such excess health benefits.

36 (c) Salary and benefits for certificated instructional staff in
37 programs other than basic education shall be consistent with the
38 salary and benefits paid to certificated instructional staff in the
39 basic education program.

1 (4) (a) Salaries and benefits for certificated instructional staff
2 may exceed the limitations in subsection (3) of this section only by
3 separate contract for additional time, for additional
4 responsibilities, or for incentives. Supplemental contracts shall not
5 cause the state to incur any present or future funding obligation.
6 Supplemental contracts must be accounted for by a school district
7 when the district is developing its four-year budget plan under RCW
8 28A.505.040.

9 (b) Supplemental contracts shall be subject to the collective
10 bargaining provisions of chapter 41.59 RCW and the provisions of RCW
11 28A.405.240, shall not exceed one year, and if not renewed shall not
12 constitute adverse change in accordance with RCW 28A.405.300 through
13 28A.405.380. No district may enter into a supplemental contract under
14 this subsection for the provision of services which are a part of the
15 basic education program required by Article IX, section 1 of the
16 state Constitution and RCW 28A.150.220.

17 (c) (i) Beginning September 1, 2019, supplemental contracts for
18 certificated instructional staff are subject to the following
19 additional restrictions:

20 (A) School districts may enter into supplemental contracts only
21 for enrichment activities as defined in and subject to the
22 limitations of RCW 28A.150.276;

23 (B) Until September 1, 2022, the average supplemental contract
24 provided by a district may be no higher than the average supplemental
25 contract from the previous year reduced by the annual salary
26 inflationary increase provided under RCW 28A.400.205;

27 (C) Beginning September 1, 2022, the average supplemental
28 contract given by a district must be for no more than three percent
29 of the average salary in the district provided as part of the state's
30 statutory program of basic education.

31 (ii) For a supplemental contract, or portion of a supplemental
32 contract, that is time-based, the hourly rate the district pays may
33 not exceed the hourly rate provided to that same instructional staff
34 for services under the basic education salary identified under
35 subsection (3) (a) (iii) of this section. For a supplemental contract,
36 or portion of a supplemental contract that is not time-based, the
37 contract must document the additional duties, responsibilities, or
38 incentives that are being funded in the contract.

39 (5) Employee benefit plans offered by any district shall comply
40 with RCW 28A.400.350, 28A.400.275, and 28A.400.280.

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 41.59

2 RCW to read as follows:

3 A school district collective bargaining agreement that is
4 executed or modified after September 1, 2019, under this chapter may
5 not provide supplemental contracts in excess of the amounts permitted
6 under RCW 28A.400.200(4)(c).

7 **Sec. 5.** RCW 28A.710.150 and 2016 c 241 s 115 are each amended to
8 read as follows:

9 (1) A maximum of forty charter public schools may be established
10 under this chapter (~~over the five-year period commencing with April~~
11 ~~3, 2016~~). No more than eight charter schools may be established in
12 any year (~~during the five-year period~~), except that if in any year
13 fewer than eight charter schools are established, additional charter
14 schools, equal in number to the difference between the number
15 established in that year and eight, may be established in subsequent
16 years (~~during the five-year period~~).

17 (2)(a) To ensure compliance with the limits for establishing new
18 charter schools, certification from the state board of education must
19 be obtained before final authorization of a charter school.

20 (b) Within ten days of taking action to approve or deny an
21 application under RCW 28A.710.140, an authorizer must submit a report
22 of the action to the applicant and the state board of education. The
23 report must include a copy of the authorizer's resolution setting
24 forth the action taken, the reasons for the decision, and assurances
25 of compliance with the procedural requirements and application
26 elements under RCW 28A.710.130 and 28A.710.140. The authorizer must
27 also indicate whether the charter school is designed to enroll and
28 serve at-risk student populations. The state board of education must
29 establish, for each year in which charter schools may be authorized
30 as part of the timeline to be established pursuant to RCW
31 28A.710.140, the latest annual date by which the authorizer may
32 submit the report. The state board of education must send to each
33 authorizer notice of the date by which a report must be submitted at
34 least six months before the date established by the board.

35 (3) Upon the receipt of notice from an authorizer that a charter
36 school has been approved, the state board of education shall certify
37 whether the approval is in compliance with the limits on the maximum
38 number of charters allowed under subsection (1) of this section. If
39 the board receives simultaneous notification of approved charters

1 that exceed the annual allowable limits in subsection (1) of this
2 section, the board must select approved charters for implementation
3 through a lottery process, and must assign implementation dates
4 accordingly.

5 (4) The state board of education must notify authorizers when the
6 maximum allowable number of charter schools has been reached.

7 NEW SECTION. **Sec. 6.** Sections 1 and 2, chapter . . ., Laws of
8 2019 (sections 1 and 2 of this act) take effect only if sections 3
9 and 4, chapter . . ., Laws of 2019 (sections 3 and 4 of this act) are
10 enacted by August 1, 2019.

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