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**HOUSE BILL 1356**

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**State of Washington 69th Legislature 2025 Regular Session**

**By** Representatives Bergquist, Berg, Ramel, Ormsby, Gregerson, Macri, Obras, Ryu, Berry, Scott, Ortiz-Self, Alvarado, Nance, Pollet, Salahuddin, and Hill

AN ACT Relating to K-12 funding; amending RCW 84.52.0531, 28A.500.015, 84.55.005, 84.55.100, 28A.150.390, 28A.150.392, and 28A.150.560; adding a new section to chapter 28A.150 RCW; creating new sections; providing effective dates; and providing an expiration date.

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

**PART I**

**ENRICHMENT LEVIES**

**AND LOCAL EFFORT ASSISTANCE**

**Sec.**  RCW 84.52.0531 and 2022 c 108 s 3 are each amended to read as follows:

(1) Beginning with taxes levied for collection in 2020, the maximum dollar amount which may be levied by or for any school district for enrichment levies under RCW 84.52.053 is equal to the lesser of ((~~two dollars and fifty cents~~)) $2.50 per ((~~thousand dollars~~)) $1,000 of the assessed value of property in the school district or the maximum per-pupil limit. This maximum dollar amount shall be reduced accordingly as provided under RCW 43.09.2856(2).

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

(a) ((~~For the purpose of this section, "inflation"~~)) "Inflation" means the percentage change in the seasonally adjusted consumer price index for all urban consumers, Seattle area, for the most recent 12-month period as of September 25th of the year before the taxes are payable, using the official current base compiled by the United States bureau of labor statistics.

(b) "Inflation enhancement" means:

(i) $500 in the 2026 calendar year; and

(ii) 3.33 percentage points added to inflation each year from the 2027 to 2030 calendar years.

(c) "Maximum per-pupil limit" means:

(i) ((~~Two thousand five hundred dollars~~)) Through the 2030 calendar year:

(A) $2,500, as increased by inflation, plus inflation enhancements defined in (b) of this subsection, beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with fewer than ((~~forty thousand~~)) 40,000 annual full-time equivalent students enrolled in the school district in the prior school year; or

((~~(ii) Three thousand dollars~~)) (B) $3,000, as increased by inflation plus the inflation enhancement defined in (b)(i) of this subsection, beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with ((~~forty thousand~~)) 40,000 or more annual full-time equivalent students enrolled in the school district in the prior school year.

((~~(c) "Open for in-person instruction to all students" means that all students in all grades have the option to participate in at least 40 hours of planned in-person instruction per month and the school follows state department of health guidance and recommendations for resuming in-person instruction to the greatest extent practicable.~~)) (ii) Beginning with the 2031 calendar year, $5,035, as increased by inflation beginning with property taxes levied for collection in 2032, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year.

(d) "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected((~~, except as follows:~~

~~(i) In the 2022 calendar year, if 2019-20 school year average annual full-time equivalent enrollment is greater than the school district's 2020-21 school year average annual full-time equivalent enrollment and the school district is open for in-person instruction to all students by the beginning of the 2021-22 school year, "prior school year" means the 2019-20 school year.~~

~~(ii) In the 2023 calendar year, if 2019-20 school year average annual full-time equivalent enrollment is greater than the school district's 2021-22 school year average annual full-time equivalent enrollment and the school district was open for in-person instruction to all students by the beginning of the 2021-22 school year, "prior school year" means the 2019-20 school year~~)).

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

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

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

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

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

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

**Sec.**  RCW 28A.500.015 and 2022 c 108 s 4 are each amended to read as follows:

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

(2)(a) For an eligible school district with an actual enrichment levy rate that is less than ((~~one dollar and fifty cents~~)) $1.50 per ((~~thousand dollars~~)) $1,000 of assessed value in the school district, the annual local effort assistance funding is equal to the school district's maximum local effort assistance multiplied by a fraction equal to the school district's actual enrichment levy rate divided by ((~~one dollar and fifty cents~~)) $1.50 per ((~~thousand dollars~~)) $1,000 of assessed value in the school district.

(b) For an eligible school district with an actual enrichment levy rate that is equal to or greater than ((~~one dollar and fifty cents~~)) $1.50 per ((~~thousand dollars~~)) $1,000 of assessed value in the school district, the annual local effort assistance funding is equal to the school district's maximum local effort assistance.

(c) Beginning in calendar year 2022, for state-tribal education compact schools established under chapter 28A.715 RCW, the annual local effort assistance funding is equal to the actual enrichment levy per student as calculated by the superintendent of public instruction for the previous year for the school district in which the state-tribal education compact school is located, up to a maximum per-student amount of ((~~one thousand five hundred fifty dollars~~)) $1,550 as increased by inflation, plus inflation enhancements, from the 2019 calendar year, multiplied by the student enrollment of the state-tribal education compact school in the prior school year.

(d)(i) Subject to (d)(iii) of this subsection, beginning in calendar year 2026, for charter schools established under chapter 28A.710 RCW, the annual local effort assistance funding is equal to the actual enrichment levy per student as calculated by the superintendent of public instruction for the previous year for the school district in which the charter school is located, up to a maximum per-student amount of $1,550 as increased for inflation, plus inflation enhancements, from the 2019 calendar year, multiplied by the student enrollment of the charter school in the prior school year.

(ii) The legislature must appropriate annual local effort assistance funds for charter schools from the Washington opportunity pathways account in accordance with RCW 28A.710.270.

(iii) Funding per pupil under (d)(i) of this subsection may only be provided to the extent that the sum of (d)(iii)(A) and (B) of this subsection does not exceed the per-student amount used for the maximum per-pupil limit defined in RCW 84.52.0531 plus revenues per pupil for the school district in which the charter school is located in the previous school year from gifts, private foundations, and donations.

(A) Per-pupil funding under (d)(i) of this subsection.

(B) Per-pupil revenue in the previous school year from gifts, private foundations, and donations.

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

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

(a) "Eligible school district" means a school district where the amount generated by a levy of ((~~one dollar and fifty cents~~)) $1.50 per ((~~thousand dollars~~)) $1,000 of assessed value in the school district, divided by the school district's total student enrollment in the prior school year, is less than the state local effort assistance threshold.

(b) ((~~For the purpose of this section, "inflation"~~)) "Inflation" means, for any school year, the rate of the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor.

(c) "Inflation enhancement" means:

(i) $200 in the 2026 calendar year; and

(ii) $300 in the 2027 calendar year.

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

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

(ii) The amount generated by a levy of one dollar and fifty cents per thousand dollars of assessed value in the school district.

((~~(d)~~)) (e) "Prior school year" means the most recent school year completed prior to the year in which the state local effort assistance funding is to be distributed((~~, except as follows:~~

~~(i) In the 2022 calendar year, if 2019-20 school year average annual full-time equivalent enrollment is greater than the school district's 2020-21 school year average annual full-time equivalent enrollment, "prior school year" means the 2019-20 school year.~~

~~(ii) In the 2023 calendar year, if 2019-20 school year average annual full-time equivalent enrollment is greater than the school district's 2021-22 school year average annual full-time equivalent enrollment, "prior school year" means the 2019-20 school year~~)).

((~~(e)~~)) (f) "State local effort assistance threshold" means ((~~one thousand five hundred fifty dollars~~)) $1,550 per student, increased for inflation, plus inflation enhancements, beginning in calendar year 2020.

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

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

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

**PART II**

**REVISING LIMITATIONS ON STATE PROPERTY TAXES**

**IN SUPPORT OF COMMON SCHOOLS**

**Sec.**  RCW 84.55.005 and 2014 c 97 s 316 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Inflation" means the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent ((~~twelve~~)) 12-month period by the bureau of economic analysis of the federal department of commerce by September 25th of the year before the taxes are payable((~~;~~)).

(2) "Limit factor" means:

(a) For taxing districts with a population of less than ((~~ten thousand~~)) 10,000 in the calendar year prior to the assessment year, ((~~one hundred one~~)) 101 percent;

(b) For taxing districts for which a limit factor is authorized under RCW 84.55.0101, the lesser of the limit factor authorized under that section or ((~~one hundred one~~)) 101 percent;

(c) For all other districts, except for the state, the lesser of ((~~one hundred one~~)) 101 percent or ((~~one hundred~~)) 100 percent plus inflation; and

((~~(3)~~)) (d) For the state, 100 percent plus population change and inflation, not to exceed 103 percent.

(3)(a) "Population change" means the annual percent increase in the population of a taxing district between the two most recent years as provided in the official population estimates published by the office of financial management for April 1st of the year before taxes are payable. If the office of financial management estimates a net decrease in a taxing district's population, for the purposes of this section, the population change is zero. For a county, the "population of a taxing district" means the population within the county's incorporated and unincorporated areas, unless the county taxing district boundaries are limited to the unincorporated county areas, in which case the "population of a taxing district" means the population of the unincorporated county areas only. For taxing districts that are not coterminous with one or more cities, towns, counties, or unincorporated county areas, or any combination thereof, as provided in the official population estimates published by the office of financial management in April of the year before the taxes are payable, "population change" means:

(i) The population change for the city or town within which the taxing district is wholly located;

(ii) The population change for the county in which the taxing district is wholly located, when the taxing district is not wholly located within a city or town; or

(iii) For taxing districts located in more than one county, the county population change for the county in which the greatest total taxable assessed value of the taxing district for the prior assessment year is located.

(b) For the purposes of this subsection (3), the annual percent increase in population is calculated to the nearest tenth of one percent, rounding up to the next tenth of one percent if the second decimal place of the annual percent increase is five or greater.

(4) "Regular property taxes" has the meaning given it in RCW 84.04.140.

**Sec.**  RCW 84.55.100 and 1983 c 223 s 1 are each amended to read as follows:

(1) The property tax limitation contained in this chapter shall be determined by the county assessors of the respective counties in accordance with the provisions of this chapter: PROVIDED, That the limitation for any state levy shall be determined by the department of revenue and the limitation for any intercounty rural library district shall be determined by the library district in consultation with the respective county assessors.

(2) By September 1, 2025, and by September 1st every year thereafter, the department of revenue must provide county assessors the limit factors necessary for the county assessor to comply with this section.

NEW SECTION. **Sec.**  Sections 201 and 202 of this act apply to taxes levied for collection in 2026 and thereafter.

**PART III**

**FUNDING FOR SPECIAL EDUCATION ENROLLMENT**

**Sec.**  RCW 28A.150.390 and 2024 c 229 s 1 are each amended to read as follows:

(1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for students with disabilities and shall take account of state funds accruing through RCW 28A.150.260 (4)(a), (5), (6), and (8) and 28A.150.415.

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average head count enrollment of students ages three and four and those five year olds not yet enrolled in kindergarten who are eligible for and receiving special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.2;

(b)((~~(i) Subject to the limitation in (b)(ii) of this subsection (2), a~~)) A district's annual average enrollment of resident students who are eligible for and receiving special education, excluding students ages three and four and those five year olds not yet enrolled in kindergarten, multiplied by the district's base allocation per full-time equivalent student, multiplied by the special education cost multiplier rate of((~~:~~

~~(A) Beginning in the 2020-21 school year, either:~~

~~(I) 1.0075 for students eligible for and receiving special education and reported to be in the general education setting for 80 percent or more of the school day; or~~

~~(II) 0.995 for students eligible for and receiving special education and reported to be in the general education setting for less than 80 percent of the school day;~~

~~(B) Beginning in the 2023-24 school year,~~)) either:

((~~(I)~~)) (i) 1.12 for students eligible for and receiving special education and reported to be in the general education setting for 80 percent or more of the school day; or

((~~(II)~~)) (ii) 1.06 for students eligible for and receiving special education and reported to be in the general education setting for less than 80 percent of the school day.

((~~(ii) If the enrollment percent exceeds 16 percent, the excess cost allocation calculated under (b)(i) of this subsection must be adjusted by multiplying the allocation by 16 percent divided by the enrollment percent.~~))

(3) As used in this section((~~:~~

~~(a) "Base~~)), "base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (4)(a), (5), (6), and (8) and the allocation under RCW 28A.150.415, to be divided by the district's full-time equivalent enrollment.

((~~(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.~~

~~(c) "Enrollment percent" means the district's resident annual average enrollment of students who are eligible for and receiving special education, excluding students ages three and four and those five year olds not yet enrolled in kindergarten and students enrolled in institutional education programs, as a percent of the district's annual average full-time equivalent basic education enrollment.~~))

**Sec.**  RCW 28A.150.392 and 2024 c 127 s 2 are each amended to read as follows:

(1)(a) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.

(b) If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need.

(2) Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall award additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. When determining award eligibility and amounts((~~[,]~~)), the committee shall limit its review to relevant documentation that illustrates adherence to award criteria. The committee shall not make determinations regarding the content of individualized education programs beyond confirming documented and quantified services and evidence of corresponding expenditures for which a school district seeks reimbursement.

(b) In the determination of need, the committee shall consider additional available revenues from federal sources.

(c) Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(d) In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for students eligible for special education and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards associated with (e) ((~~and (f)~~)) of this subsection shall not exceed the total of a district's specific determination of need.

(e) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(f) ((~~Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (2)(f) shall be adjusted to reflect amounts awarded under (e) of this subsection.~~

~~(g)~~)) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education served in residential schools, programs for juveniles under the department of corrections, and programs for juveniles operated by city and county jails to the extent they are providing a secondary program of education.

((~~(h)~~)) (g) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

((~~(i)~~)) (h) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

((~~(j)~~)) (i) Safety net awards must be adjusted for any unresolved audit findings or exceptions related to special education funding. Safety net awards may only be adjusted for errors in safety net applications or individualized education programs that materially affect the demonstration of need.

(3) The superintendent of public instruction shall adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. By December 1, 2018, the superintendent shall review and revise the rules to achieve full and complete implementation of the requirements of this subsection and subsection (4) of this section including revisions to rules that provide additional flexibility to access community impact awards. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(4)(a) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(b) By December 1, 2024, the office of the superintendent of public instruction must develop a survey requesting specific feedback on the safety net application process from school districts with 3,000 or fewer students. The survey must include, at a minimum, questions regarding the average amount of time school district staff spend gathering safety net application data, filling out application forms, and correcting application deficiencies. The survey must also include questions to help identify which application components are the most challenging and time consuming for school districts to complete. By December 1, 2025, the office of the superintendent of public instruction must use this feedback to implement a simplified, standardized safety net application for all school districts that reduces barriers to safety net funding.

(5) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(6)(a) ((~~Beginning in the 2019-20 school year, a high-need student is eligible for safety net awards from state funding under subsection (2)(e) and (g) of this section if the student's individualized education program costs exceed two and three-tenths times the average per-pupil expenditure as defined in Title 20 U.S.C. Sec. 7801, the every student succeeds act of 2015.~~

~~(b)~~)) Beginning in the 2023-24 school year, a high-need student is eligible for safety net awards from state funding under subsection (2)(e) and ((~~(g)~~)) (f) of this section if the student's individualized education program costs exceed:

(i) 2 times the average per-pupil expenditure, for school districts with fewer than 1,000 full-time equivalent students;

(ii) 2.2 times the average per-pupil expenditure, for school districts with 1,000 or more full-time equivalent students.

((~~(c)~~)) (b) For purposes of ((~~(b)~~)) (a) of this subsection, "average per-pupil expenditure" has the same meaning as in 20 U.S.C. Sec. 7801, the every student succeeds act of 2015, and excludes safety net funding provided in this section.

**Sec.**  RCW 28A.150.560 and 2023 c 417 s 6 are each amended to read as follows:

(1) It is the policy of the state that for purposes of state funding allocations, students eligible for and receiving special education generate the full basic education allocation under RCW 28A.150.260 and, as a class, are to receive the benefits of this allocation for the entire school day, as defined in RCW 28A.150.203, whether the student is placed in the general education setting or another setting.

(2) The superintendent of public instruction shall develop an allocation and cost accounting methodology ((~~that ensures state general apportionment funding for students who receive their basic education services primarily in an alternative classroom or setting are prorated and allocated to the special education program and accounted for before calculating special education excess costs~~)) to account for expenditures beyond amounts provided through the special education funding formula under RCW 28A.150.390. This method of accounting must shift 30 percent of a school district's base allocation as defined in RCW 28A.150.390 for students eligible for and receiving special education to the school district's special education program for expenditure.

(3) To the extent that a school district's special education program expenditures exceed state funding in a school year provided under RCW 28A.150.390 and 28A.150.392, and redirected general apportionment revenue under subsection (2) of this section, the school district must use the remaining portion of the school district's base allocation as defined in RCW 28A.150.390 for students eligible for and receiving special education for the expenditures prior to using other funding sources.

(4) Unless otherwise prohibited by law, nothing in this section prohibits school districts from using other funding and state allocations above the amounts provided under RCW 28A.150.390 and subsections (2) and (3) of this section to serve students eligible for and receiving special education.

(5) Nothing in this section requires districts to provide services in a manner inconsistent with the student's individualized education program or other than in the least restrictive environment as determined by the individualized education program team.

((~~(3)~~)) (6) The superintendent of public instruction shall provide the legislature with an accounting of prorated general apportionment allocations provided to special education programs broken down by school district by January 1, 2024, and then every January 1st of odd-numbered years thereafter.

NEW SECTION. **Sec.**  Sections 301 and 302 of this act take effect September 1, 2027.

NEW SECTION. **Sec.**  Section 303 of this act takes effect September 1, 2025.

**PART IV**

**IMPROVING EQUITY IN K-12 FUNDING FORMULAE**

NEW SECTION. **Sec.**  The superintendent of public instruction shall convene a K-12 funding equity work group to analyze K-12 funding formulas and explore options for revisions to the funding formula that are responsive to student needs, including economic, demographic, and geographic differences in student and community populations. The office of the superintendent of public instruction may contract with institutions of higher education and public, nonpartisan research entities to support the work group's analysis.

(1) At a minimum, the work group's analysis must include:

(a) Impacts of changes to per-pupil funding formulas and local revenue;

(b) Compensation factors described in RCW 28A.150.412;

(c) Funding distribution trends resulting from the prototypical school funding formula; and

(d) Current formulas that benefit specific populations of students including, but not limited to, the learning assistance program, local effort assistance, and small school funding.

(2) The superintendent of public instruction must use the work group's analysis conducted under subsection (1) of this section to consider options for revising state and local school funding formulas. By November 1, 2025, and annually thereafter through 2027, the superintendent of public instruction shall report the work group's progress and any proposed options to the education and fiscal committees of the legislature. The reports must include, but are not limited to, the following topics:

(a) Options for revisions to the funding formula that address system and resource inequities;

(b) Options that address state, local, and regional needs;

(c) The potential adoption of student weights to direct additional funding to students most in need; and

(d) Metrics for monitoring and accountability related to equitable access to resources.

(3) The superintendent of public instruction may determine the size, membership, and meeting frequency of the work group. The work group must include representation from education and community partners that are demographically and geographically diverse including, but not limited to, groups representing educators, school and district administrators, labor unions, families, students, community partners who support groups disproportionately impacted by inequities, and legislators.

(4) The estimated cost of an option or group of options proposed by the superintendent of public instruction under subsection (2) of this section must not exceed the estimated additional state revenue provided under section 201 of this act when combined with the estimated additional state funding allocated in this act. The department of revenue shall make available relevant data and analyses to the superintendent of public instruction to support the calculations under this subsection (4).

(5) This section expires December 1, 2027.

**PART V**

**OTHER PROVISIONS**

NEW SECTION. **Sec.**  A new section is added to chapter 28A.150 RCW to read as follows:

Beginning in the 2027-28 school year, the state shall allocate funding for substitute costs for prototypical school staff as follows:

(1) Substitute costs for classroom teachers must be based on five funded substitute days per classroom teacher unit generated under RCW 28A.150.260(4) at a daily substitute rate of $200 adjusted for inflation from the 2027-28 school year; and

(2) Substitute costs for classified staff must be based on two funded substitute days per classified staff unit generated under RCW 28A.150.260(5) at a daily substitute rate of $150 adjusted for inflation from the 2027-28 school year.

**--- END ---**