

Comparison of Education Funding Plans

Topic	Senate Republican Plan	Democrat Plan	Inslee Plan
Approach to funding	<p>Repeals the prototypical schools formula; Moves to per pupil funding formula, with a “basic per pupil” allocation of \$10,000. (See description at the end of the document)</p> <p>After all other funding calculations are completed, if the total per pupil funding amount for a district is less than \$12,500 when including local, state, and federal revenues, the per pupil amount is increased to \$12,500.</p> <p>Sec. 1301 includes excess local levy dollars in the computation of the basic education allocation school districts would receive.</p>	<p>Keeps prototypical schools formula</p>	<p>Keeps prototypical schools formula</p>
Compensation	<p>Eliminates Salary Allocation Model</p> <p>Prohibits salary increases based on a master’s or other advanced degree that is not in the subject area in which the individual teaches.</p> <p>Limits the amount school districts can spend on salaries and benefits to no more than 80% of their total general fund budget; provides a 6-year phase-</p>	<p>Eliminates Salary Allocation Model; new state salary allocation system phased in over three years. Realignments made based on a market rate review and revision every six years.</p>	<p>Changes the Salary Allocation Model by collapsing the number of cells and embedding professional development into the salary.</p>

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	<p>in for school districts above this 80% level: 2017-18 – 2023-24.</p> <p>The housing allowance and the \$10,000 urban, high-poverty school bonus for teachers are excluded from the 80%.</p> <p>Allows districts to enter into state-funded supplemental employment contracts with CIS to provide remedial education instruction and services to underachieving students, beginning in the 2018-19 school year.</p>		
<ul style="list-style-type: none"> • Certificated Instructional Staff (CIS) 	<ul style="list-style-type: none"> • Districts must pay an identified minimum salary of \$45,000. • Salaries to be bargained locally. 	<ul style="list-style-type: none"> • \$70,947 allocation at final phase-in. • Salaries to be bargained locally. 	<p>Funding is based on 10 months plus hours of training and collaboration:</p> <ul style="list-style-type: none"> • FY2017-18, including 30 hours of PD: average experience \$59,709; \$69,938 16 years or more • FY 2018-19, including 80 hours of PD: average experience \$72,466; \$84,883 16 years or more
<ul style="list-style-type: none"> • Certificated Administrative Staff (CAS) 	<p>Salaries to be bargained locally.</p>	<ul style="list-style-type: none"> • \$117,363 allocation at final phase-in. • Salaries to be bargained locally 	<p>Funding is based on full calendar year:</p> <ul style="list-style-type: none"> • FY 2017-18: \$78,395 • FY 2018-19: \$114,612
<ul style="list-style-type: none"> • Classified staff (CLS) 	<p>Salaries to be bargained locally.</p>	<ul style="list-style-type: none"> • \$54,278 allocation at final phase-in • Salaries to be bargained locally 	<p>Funding is based on full calendar year:</p> <ul style="list-style-type: none"> • FY 2017-18, including 30 hours of PD: \$39,457 • FY 2018-19, including 80 hours of PD: \$52,908

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<ul style="list-style-type: none"> Beginning teachers 	<ul style="list-style-type: none"> Increased to \$45,000 	<ul style="list-style-type: none"> \$45,000 and 10% above the beginning teacher salary for a teacher with three years' experience 	<ul style="list-style-type: none"> FY 2017-18, including 30 hours of PD: \$44,976 FY 2018-19, including 80 hours of PD: \$54,587
<ul style="list-style-type: none"> Regional pay adjustment 	<p>Provides a new housing allowance, for all state-funded school district employees working in districts where the average residential property value is above the statewide average.</p> <p>Beginning in the 2018-19 school year, the housing allowance would range from \$0 to a maximum of \$10,000; most districts would receive a percentage of this amount based on how much the average residential property value within the district exceeds the statewide average. The allowance would be administered by OSPI.</p>	<p>A labor market adjustment is included for all three categories of staff.</p>	
<ul style="list-style-type: none"> Professional Development 	<p>Not specified</p>	<ul style="list-style-type: none"> 10 professional days for all staff, phased in over three biennia. 	<ul style="list-style-type: none"> Training and collaboration phased in over two years for CIS. \$4.7 million for paraeducators: 20 hours in the 2017-18 school year and 40 hours in the 2018-19 school year.
<ul style="list-style-type: none"> BEST program 	<p>Not specified</p>	<p>Fully fund and increase investments. Education policy committees to determine further support for recruitment and retention.</p>	<p>Expands BEST to provide mentors for all new teachers, beginning in the 2020-21 school year.</p> <ul style="list-style-type: none"> Puts \$50 million into budget, that includes a salary of nearly \$93,000

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			for full-time mentors, prorated for those mentoring part-time.
<ul style="list-style-type: none"> Teacher bonuses 	Establishes the Top Teacher Recognition Grant Program by awarding grants of \$25,000 to \$50,000 to outstanding teachers via principal nomination and selection by the ESD.	Not included	Not included
<ul style="list-style-type: none"> Health Benefits 	Requires that the premiums for basic health care coverage for a full family are no more than three times the premiums for single coverage for the same coverage plan.	No changes	<ul style="list-style-type: none"> For CIS and CAS, increases monthly amount from \$780.00 to \$835.96 in SY 2017-18, and \$848,91 in the SY 2018-19 For CLS, increases the monthly amount from \$898.56 too \$93.03 in SY 2017-18, and \$977.94 in SY 2018-19
<ul style="list-style-type: none"> National board bonuses 	Eliminates state funding of bonuses; Allows school districts to use state funds to provide bonuses to CIS in an amount determined by the district for National Board Certified Teachers.	Maintained	Maintained
<ul style="list-style-type: none"> COLA 	I-732 repealed	Assumed to be included in the increased allocation, with COLA allocations beginning again after full phase-in. included in definition of basic education.	Maintained
Collective bargaining	New contracts that are entered into, modified, reopened, or renewed after the effective date are to be modified to fit the Act.	Maintained as currently done	Maintained as currently done

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Hold harmless	Provision to ensure that districts with less than 2,500 students will receive the greater of funding under current law or what the funding would be under the new formula.	A temporary district-wide hold harmless provision is provided if needed, assuring that no district receives less funding.	
Local Levies	Disallows local M&O levies in CY 2019. In CY 2020, local M&O levies would drop to 10% levy lid.	Reduces to 24% over three years. Ghost money eliminated in CY 2018. Scaled down for non-grandfathered districts: <ul style="list-style-type: none"> • Levy lid of 27% in CY 2019 • Levy lid of 26% in CY 2020 • Levy lid of 24% in CY 2021 For grandfathered districts, scales down proportionately until the lid for all districts is 24% in CY 2021.	Reduces local M&O levies to 15%
• Levy cliff addressed?	Yes, extended to January 1, 2019	Yes, extended to January 1, 2019	
Local Effort Assistance/levy equalization	Repealed January 1, 2019.	Returned to 12%	Decreased to 7.5%
K-3 classrooms construction assistance	Not included	Said that capital budget committees would address need for school construction and more classrooms.	\$270 million in funding for K-3 classroom grants
I-1351	Repealed	<ul style="list-style-type: none"> • Reduces CTE class sizes to a level of 19:1 and skills center class size reduction to 16:1 	Adds about \$485 million in operating funds to expand smaller K-3 class sizes to 17 students by 2018.

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		<ul style="list-style-type: none"> Increases allocations for Guidance Counselors and Parent Involvement Coordinators beginning in SY 2019-20. 	<ul style="list-style-type: none"> The funding is for 3,400 new teachers for the 2017-18 school year.
Definition of Basic Education and non-Basic Education activities	<p>Prohibits school districts from using local levy funding to supplement salaries and benefits, or for activities funded as “basic education.”</p> <p>Says (Sec. 1301) that transportation is fully funded; Sections 1302-1322 make changes to comply with per pupil funding formula changes.</p>	<p>Local levy funding is maintained and intended to be used for enhancement purposes and locally determined enrichment of the state’s program of basic education.</p>	<p>Not included</p>
Enhancements to be included in state’s Basic Education funding	<p>Weighted Per Pupil funding:</p> <ul style="list-style-type: none"> \$2,000-\$5,000 for low-income; \$7,500 for special education; \$1,000 for ELL; \$1,500 for homeless students; Doubles state funding for Highly Capable and Vocation Education. 	<ul style="list-style-type: none"> Increased funding for LAP, TBIP, and SPED to address opportunity gap. Phased in over two years, beginning 2019-20. Increased funding for Highly Capable program by increasing the number of instructional hours from 2.159 to 3.2 hours over two years. 	<ol style="list-style-type: none"> \$325.2 million to increase the number of student support staff, including time for collaboration and training. Targeted are: school counselors, nurses, psychologists, social workers, and family engagement coordinators. <ul style="list-style-type: none"> Phased in starting with highest concentration of poverty in the 2017-18 school year, when 1.0 FTE will be added to each prototypical school. In 2018-19 school year, the increase will be phased to all schools in the state. \$49.6 million for LAP. \$1.3 million for truancy reduction, to support community truancy boards.

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			4. \$1.4 million to support another 120 students in foster care to improve educational outcomes.
Accounting, district reporting	<p>Restructures the process for school district excess levies, requiring a review and approval by OSPI and regular audits by the State Auditor to ensure local levy funds are not used for basic education.</p> <p>Beginning with 2018-19 school year, districts must create a sub-fund for local revenues. Expenditures must be tracked separately to account for the expenditure of each of the local revenue streams.</p>	<p>Work with school district business officers to develop details for a more comprehensive accounting system that ensures local funds are used only for local enhancements and state funding is providing full support for the program of basic education.</p> <p>Require OSPI to update their online reporting system to align with the new accounting system and provide increased transparency of local school district data.</p>	\$9.9 million in funding for OSPI and school districts to align accounting and reporting systems with the prototypical school model, align expenditures with revenues, and provide building-level accounting.
Revenue Options	<p>Creates a permanent statewide levy of \$1.80 per \$1,000 of assessed value. This is in addition to the current \$2.19 per \$1,000 of assessed value.</p> <p>Includes a mechanism to lower the tax rate over time if state revenues grow sufficiently. Stated goal is to get to \$1.25 per \$1,000 of assessed value, which would bring the total below current \$3.60 of \$10 limit per \$1,000 assessed value.</p> <p>Provides backfill to reimburse junior taxing districts that are impacted by the new state property tax levy.</p>	<p>Offered options of:</p> <ul style="list-style-type: none"> • Four-Tier Nexus (Internet Sales) • Tax Preference Closures • B&O Tax changes • State Property Tax changes • Capital Gains Excise Tax • Carbon Pricing 	<p>Paid for proposal with:</p> <ul style="list-style-type: none"> • Tax Preference Closures • B&O Tax changes • Capital Gains Excise Tax imposed • Sets Carbon Pricing fee

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<p>Teacher Shortages</p>	<p>Sec. 501 states <i>intent</i> to fund a \$10,000 bonus for teachers employed in schools with 25,000 students and a poverty rate of 25%. Sec. 506, provides for a \$12,500 bonus to CIS and CAS in the same (i.e., Tacoma Public Schools). Regardless, neither counts as basic education or earned income.</p> <p>Expands school district ability to hire classroom teachers without a teaching certificate.</p>	<p>Not included</p>	<p>Adds \$11 million to expand the alternative routes slots by 360 candidates, with priority given to the preparation of bilingual teachers.</p>
<p>Principal support and mentoring</p>	<p>Not included</p>	<p>Not included</p>	<p>Adds \$7.5 million to expand BEST program, with internships for principals in training, workshops for principals in their first year, and a new principal mentoring program.</p>
<p>School district turnaround and improvement</p>	<p>Increases accountability by establishing school district performance targets and a timeline to determine school district success and improve accounting transparency. (See below for details of proposal)</p> <p>Exempts school districts from most state laws, if on target to meet or are meeting the performance targets that measure school district success.</p>	<p>Not included</p>	<p>\$3.8 million to provide assistance to low-performing schools and districts that do not get federal SIG funds.</p>

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	Encourages school boards to exempt from most district policies and collective bargaining agreements the schools identified by the SBE as on pace to meet performance targets.		
Teacher strikes	Prohibits CIS employee strikes.	Not included	Not included
Baldrige Performance Excellence program	<p>Requires large school districts, ESDs, and certain educational state agencies to implement Baldrige.</p> <p>Starting in 2018-19 school year, OSPI would select 10 school districts with at least 5,000 students to pilot implementation of Baldrige. OSPI to develop a phase-in schedule for all districts with at least 5,000 students. Each district will get \$10,000 to cover implementation costs.</p> <p>By December 1, 2019, all ESDs, OSPI, SBE, PESB, WSSDA, and OEO must implement Baldrige.</p>	Not included	Not included
Removing poor-performing teachers	<p>Allows school districts to remove teachers who are “detrimental to student academic performance.”</p> <p>This is defined as a teacher who fails to show improvement through in-service training and mentorship to the extent that they are identified in three years of a five-year period.</p>	Not included	Not included

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Innovation Schools	Creates a process for a limited number of school districts to become innovation districts, exempt from most state laws. <ul style="list-style-type: none"> • Districts can't be in the lowest 5%; • Plan submitted to SBE for approval 	Not included	Not included
Student Absenteeism	Beginning in the 2019-20 school year, each district must create an attendance reserve to be used to reduce chronic student absenteeism, which is 18 or more absences in a school year. If a school has a three-year average student absentee rate that exceeds 20% of the student population of the school, then OSPI must recover from the district an amount of funds from the district's reserve that is equal to the amount of funds that the school received for each chronically absent student in excess of 20%.	Not included	Not included
Referendum to the People	Subjects the entire Act, except for the delay in current levy lid authority through January 1, 2019, to ratification or rejection by a majority vote of the people of Washington state.	Not included	Believe most revenue options would require a vote; more research needed.

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DRAFT: Analysis Still in Progress

Information provided by Senate Republicans in 1/27/17 document:

Republican per pupil funding model and school district accountability:

- A. *Creates a basic education per pupil guaranteed funding level that is projected to generate revenue in excess of what state and local funds will provide under current law, including the fully phased-in 2776 enhancements.*
1. Establishes a basic education per pupil amount that **replaces state general apportionment, pupil transportation, state levy equalization, and local excess levy dollars.**
 2. Establishes several **categorical per pupil funding amounts** for English language learners, transitional bilingual, special education, low-income, highly capable, career and technical education, and homeless students. These funding amounts are entirely state funded.
 3. A **state property tax levied on behalf of school districts**, referred to as a local effort levy, is applied to the cost of the basic per pupil guarantee. The local effort levy is a permanent property tax levy levied on behalf of school districts by the state. It is not an excess levy. The **local effort levy tax rate cannot exceed \$1.80 per thousand dollars of assessed value.** The tax rate may be phased down to a rate not lesser than \$1.25 per thousand dollars of assessed value.
 4. The **state backfills the amount necessary to reach the basic per pupil guaranteed funding level** after applying the local effort levy but also establishes a minimum amount to be provided by the state.
 5. Any taxing district that experiences diminished property tax revenues due to the local effort levy is eligible to receive a payment from the state **equal** to the amount that the taxing district's regular levy was negatively impacted.
 6. Includes **small school hold-harm-less provisions** to ensure school districts currently receiving small school funding do not receive less funding.
 7. **After all other funding calculations are complete, a school district's total per pupil funding amount is increased to \$12,500 if, after all other state, local, and federal sources have been included, the per pupil amount is less than \$12,500.**
- B. Establishes school district performance targets and a timeline to meet the targets to determine school district success.
1. Performance targets to be met by 2020:
 - Increase third grade literacy rate by raising to 86 percent the percentage of students meeting the state standard on the third grade statewide reading assessment.
 - Improve high school readiness by increasing to 72 percent the percentage of students meeting the standard on the eighth grade statewide mathematics assessment.
 - Raise the four-year cohort high school graduation rate to 89 percent.
 - Enhance the quality of the high school diploma by increasing to 93 percent the percentage of high school graduates who enroll in a college or university no later than the second quarter after graduation who do not need to take college remediation courses.
 2. Establishes performance targets to measure school district success to be met by 2024.
 - Close the achievement gap to 5% based on all students' level of proficiency on the annual statewide English language arts and mathematics assessments.

Information provided by Senate Republicans in 1/27/17 document:

3. Requires school districts to report the following:

- The percent of students who are ready to enter kindergarten based on all six areas identified by the Washington kindergarten inventory of developing skills, which is already required to be used by all kindergarten teachers.
- The percent of high school graduates that are enrolled in postsecondary education, training or are employed by the fourth quarter after high school graduation.

C. Improve school district accounting transparency.

1. Requires a local revenue fund to deposit local excess levy funds and local effort assistance payments separate from other state and federal funds received.
2. Directs district accounting of expenditures, including school employee salaries, to indicate revenue source & whether a basic education or non-basic education.
3. Expands the annual district budget development process to include a four-year budget outlook that includes a four-year enrollment projection

D. Adds a financial health indicator for school districts. Directs the Office of the Superintendent of Public Instruction to consider a district's four-year budget outlook when ranking districts' financial health.