A Citizen's Guide to Washington State

K-12 Finance



2026

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Introduction

The 2026 Citizen's Guide to K-12 Finance is offered to provide a clear and simple overview of K-12 finance in Washington state by answering frequently asked questions.

For more in-depth information about K-12 finance, see *Organization and Financing of Washington Public Schools* published by the Office of Superintendent of Public Instruction (OSPI). It is available at: https://ospi.k12.wa.us/policy-funding/school-apportionment/school-publications/organization-and-financing-washington-public-schools.

For information about a specific school district, inquire with that school district. Detailed K-12 fiscal data, on both statewide and district-specific levels, are also reported on the Washington State fiscal transparency website at: https://fiscal.wa.gov/K12/K12Overview.

The 2026 Citizen's Guide to K-12 Finance was prepared by non-partisan Senate Committee Services staff supporting the Senate Ways and Means Committee and with the assistance from staff of the Legislative Evaluation and Accountability Program Committee.

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How many students attend K-12 schools in the state?

In the 2024-25 school year, the most current year for which data is available, approximately 1.1 million students were enrolled at over 2,300 public schools across the state.

In addition, it is estimated that approximately 84,000 students attended private schools, and 30,000 students were registered for home-based instruction during the 2024-25 school year.

How are public schools in Washington organized?

The public school system in Washington involves various entities at both the state and local levels, including the Legislature, the Governor, the State Board of Education, the Office of the Superintendent of Public Instruction (OSPI), the federal Department of Education, the State Auditor's Office, the Professional Educator Standards Board, Educational Service Districts, the Washington State Charter School Commission, and local school districts. Each of these entities plays a role in establishing educational policies, implementing these policies, or providing administrative and financial oversight of the public school system.

Washington is largely considered a "local control" state. Each school district is governed by a locally elected school board whose members serve staggered four-year terms. Local school district boards have broad discretionary power to determine and adopt policies not in conflict with other laws, that provide for the development and implementation of instructional programs, activities, services, or practices the school district board of directors determine will promote education or effective management and operation of the school district.

Currently, the state has a total of 295 school districts. Each school board hires a Superintendent who oversees the day-to-day operation of the school district.

What does the Washington State Constitution provide regarding K-12 public schools?

> *"It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste or sex."*
>
> **—Washington Constitution, article IX, section 1**

This constitutional provision is unique to Washington. While other states have constitutional provisions related to education, no other state makes K-12 education the "paramount duty" of the state.

How has this constitutional provision been interpreted in the state courts?

A handful of Washington State Supreme Court cases have addressed basic education under Article IX of the Washington State Constitution. The Court has interpreted Article IX, section 1 of the constitution to mean the state must define a "program of basic education" within the guidelines of the Court, distinguished from all other educational programs or services, and amply fund it from regular and dependable sources that cannot be dependent on local tax levies.

The Court has found this "paramount duty" is superior in rank and above all others. Neither fiscal crisis nor financial burden changes the Legislature's constitutional duty. The state has no duty to fund programs outside the definition of "basic education." School districts may use local property tax levies to fund enrichment programs and programs outside the legislative definition of basic education. However, the use of local levies cannot reduce the state's obligation to fund basic education.

The Court does not require the state to provide a total education or the offerings of all knowledge, programs, subjects, or services; however, the duty goes beyond mere reading, writing, and arithmetic. The Court has noted that a basic education also "embraces broad educational opportunities needed in the contemporary setting to equip children for their role as citizens and as potential competitors in today's market as well as in the marketplace of ideas." Additionally, the Court found that the education required by the constitution does not reflect a right to a guaranteed educational outcome.

The Court has acknowledged that the Legislature has an obligation to review the definition of a basic education program as the needs of students, and the demands of society evolve. However, any reduction from the basic education program must be accompanied by an educational policy rationale and not for reasons unrelated to educational policy.

What is the *McCleary* decision?

The most recent court decision to address Article IX, section 1 of the state constitution is *McCleary v State*, 173 Wn.2d 477, 269 P.3rd 227, which was decided in January 2012. In *McCleary*, the Washington State Supreme Court found the State had failed to meet its paramount constitutional duty to amply fund a program of basic education because

the level of state resources fell short of the actual cost of the basic education program. The case concluded in June of 2018 after many iterations of reforms were adopted. Most notably in Chapter 13, Laws of 2017 (HB 2242), and Chapter 266, Laws of 2018 (SB 6362). Policy reforms included increasing funding for categorical programs, increasing salary allocations, consolidating school employee insurance benefits, modifying levy and levy equalization policies, and adding requirements for auditing and accounting among other provisions.

How has the State implemented the Program of Basic Education?

To carry out its constitutional responsibility, the Legislature passed the Basic Education Act of 1977, which defined a "basic education" by establishing goals, minimum program hours, teacher contact hours, and a mix of course offerings for a school district to provide.

Currently, at least some portion of seven programs (General Apportionment; the Special Education Program for students with disabilities; some pupil transportation; the Learning Assistance Program (LAP) for remediation assistance; the Transitional Bilingual Program (TBIP) for English language learners; the Highly Capable Program; and the educational programs in juvenile detention centers and state institutions) fall within the Legislature's definition of basic education.

General Apportionment - The General Apportionment formula provides foundational state funding to school districts and funds basic education as well as some non-basic education adjustments. The amount received by each school district varies based on certain characteristics of the district with enrollment being the largest factor. As discussed in more detail below, generally, enrollment drives the number of certificated, administrative, and classified staff, and the associated salaries and benefits, allocated to the district as well as the allocation of funds for other non-employee related costs.

General Apportionment formula:

The General Apportionment formula follows the prototypical school model. Prototypes illustrate a level of resources to operate a school of a particular size and grade levels of students. Allocations to school districts are based on annual average full-time equivalent (AAFTE) student enrollment in each grade in the district, adjusted for small schools and reflecting other factors in the state's biennial budget. Under Chapter 236, Laws of 2010 (HB 2776), the Legislature designed a funding formula that allocates funding in three primary groups:

- Schools,
- district-wide support, and
- central administration.

The number of funded teachers is derived from class size and teacher planning time as determined by the Legislature (see Table 1). The calculation for deriving the number of funded teachers is:

(Enrollment / Class Size) x (1 + Planning Time Factor) = Teachers

Other staff types are derived by using staff ratios for each school type: elementary, middle, and high school. Each prototype has a theoretical number of students and designated levels of staffing. The funding to each district is scaled according to actual enrollment in each of the grade ranges.

For example, an elementary school is assumed to have 400 students in the prototypical model. If a district has 800 elementary-grade students, it will receive funding for double the number of staff positions (shown in Table 2, below). The class sizes represent the levels of funding associated with assumed ratios of students to teachers. Funding is for allocation purposes only (except for the categorical or dedicated programs), and it is up to the school district to budget the funds at the local level. Comparisons between funded and actual staffing levels by school building, is available from OSPI at: https://www.k12.wa.us/policy-funding/school-apportionment/district-allocation-state-resources-portal.

Table 1: Class Sizes

Grade	Class Size
Grades K-3	17
Grades 4-6	27
Grades 7-8	28.53
Grades 9-12	28.74
Career & Tech. Ed (CTE) 7-8	23
CTE 9-12	23
Skills Centers	19
Lab Science	19.98

The table below includes the staffing ratios as specified in RCW 28A.150.260.

Table 2: Staffing	Elementary	Middle	High
Prototypical school size			
Number of students	400	432	600
Staff per-school			
Principal/School Admin	1.253	1.353	1.880
Librarian	0.663	0.519	0.523
Counselor	0.993	1.716	3.039
School Nurses	0.585	0.888	0.824
Social Workers	0.311	0.088	0.127
Psychologists	0.104	0.024	0.049
Other Certificated Staff	0.000	0.000	0.000
Instructional Aides	1.012	0.776	0.728
School Office/Other Support	2.088	2.401	3.345
Parent involvement coordinators	0.083	0.000	0.000
Student and Staff Security	0.079	0.092	0.141

District-wide support is funded under the prototypical model in addition to the staffing levels presumed to be needed for individual school buildings, since these services need to be provided across the district. This funding is based on overall student enrollment levels.

Under the prototypical formula, administration costs directly associated with prototypical schools are included in those staffing levels — for example, the number of principals and level of office support needed for each elementary school, middle school, and high school. Central administration, however, is funded as an additional 5.3 percent of other staffing units generated by the formula. These general staffing units on which the 5.3 percent is calculated include K-12 teachers, school-level staffing, and district-wide support. It does not include additional staffing for vocational programs, specialized classes, or categorical programs such as programs for highly capable students, special education, or the Learning Assistance Program.

Finally, the prototypical funding formula for General Apportionment includes an allocation for Materials, Supplies, and Operating Costs or MSOC. The budget also provides enhancements for students in grades 9-12 and students enrolled in career and technical education and skill center programs. The formula provides the following per pupil funding amounts, which are adjusted annually for inflation.

Table 4: Budgeted MSOC Per Student Allocation		
MSOC	**2025-26**	**2026-27**
General Education	$1,614.28	$1,656.25
Students in grades 9-12	$1,829.13	$1,876.68
Students in CTE & skill center programs	$1,810.11	$1,857.17

Special Education - The state allocates funding for a program of special education for students with disabilities. Special education is funded on an excess cost basis. This formula multiplies the district's base General Apportionment allocation for students enrolled in K-12 special education by an excess cost multiplier of 1.16.

For children aged three and four, and five-year-olds not yet enrolled in kindergarten that are eligible for and enrolled in special education, the special education allocation is 120 percent of the district's average per-student General Apportionment allocation.

In addition to the per-student special education allocations described above, the special education funding structure includes safety net funding for districts that can show extraordinary special education program costs beyond state and federal resources.

Pupil Transportation - The pupil transportation formula provides funding for the transportation of students "to and from school" as part basic education. The formula requires the funding to be calculated using a regression analysis of major cost factors that are expected to increase (or decrease) the prior year's pupil-transportation costs, including the count of basic and special education-student ridership, district land area, roadway miles, the average distance to school, and other statistically significant coefficients.

As part of this funding, the state provides funding for school bus replacement costs using a depreciation schedule. Annual payments are made to districts from the year a bus is purchased until it reaches the end of its scheduled lifecycle.

State allocations are deposited into the district's Transportation Vehicle Fund to be used only for the purchase of new buses or for major repairs.

Learning Assistance Program (LAP) - LAP provides remediation assistance to students scoring below grade level in reading, math, and language arts. Districts receive LAP allocations based on the number of students in poverty, as measured by eligibility for free or reduced-price lunches. As with other categorical programs, the prototypical funding formula provides a designated number of hours of instruction per week. A "categorical" program is one in which funds may be used for only the dedicated program and may not be re-allocated for use elsewhere in the school district. State law provides 2.3975 hours of LAP instruction per week and assumes a class size of 15 students per certificated instructional staff. An additional high-poverty allocation is provided for schools with at least 50 percent of the students who are eligible for free- or reduced-priced meals and 1.1 hours per week in extra instruction. School districts must distribute this allocation to the school buildings that generate the allocation.

Transitional Bilingual Instructional Education (TBIP) - State TBIP funding supports students whose primary language is a language other than English and have been found to not be proficient in English after assessment. Like other programs, the funding formula provides a designated number of hours of instruction. For students in grades K through 6, and assuming class sizes of 15 students per certificated instructional staff, the formula provides 4.778 hours of bilingual instruction per week. For grades 7 through 12, the allocation is increased to a total of 6.778 hours. The TBIP also supports students for up to two years after they have exited the program, 3.0 hours of additional instruction are provided.

Institutional Education Programs - The state funds a 220-day educational program for children in juvenile detention and state institutions. School districts, educational service districts, or others receive the funding if they provide the educational programs.

Highly Capable Program - The Highly Capable Program is a categorical program funded under the basic education statute. The allocation is based on 5.0 percent of a school district's basic education student enrollment, and the funding formula provides 2.159 instructional hours per week for a class size of 15 students per certificated instructional staff.

The table below reflects the funding for the 2025-27 biennium for basic education, as well as the funding for other K-12 programs and activities funded by the state.

2025-27 Operating Budget BASIC EDUCATION PROGRAMS (Dollars in Millions)		
General Apportionment	$22,618	67.6%
Special Education	$4,684	14.0%
Transportation	$1,725	5.2%
Compensation	$1,332	4.0%
LAP	$1,038	3.1%
TBIP	$596	1.8%
Charter Schools	$202	0.6%
Highly Capable	$70	0.2%
Institutions	$39	0.1%
Sub-Total: Basic Education Programs	**$32,304**	**96.5%**
2025-27 Operating Budget NON-BASIC EDUCATION PROGRAMS		
Local Effort Assistance	$455	1.4%
Education Reform	$244	0.7%
Food Service	$240	0.7%
OSPI & Statewide Programs	$115	0.3%
Educational Service Districts	$70	0.2%
Professional Educator Standards Boar	$34	0.1%
Grants and Pass-Through Funding	$7	0.0%
State Board of Education	$6	0.0%
Charter School Commission	$0.5	0.0%
Sub-Total: Non-Basic Education	**$1,173**	**3.5%**
TOTAL - STATE FUNDS*	**$33,477**	**100%**

*State Funds include the General Fund-state, Opportunity Pathways Account, the Education Legacy Trust Account, and the Pension Funding Stabilization Account together known as Total Near General Fund.

What is the role of the federal government in public elementary and secondary education?

Public K-12 education is primarily a state and local responsibility. Although the federal Constitution, which gives United States (U.S.) Congress its authority to act, is silent on education, Article I, Section 8,

of the U.S. Constitution provides Congress has the power to provide funding for the general welfare of the United States. Congress has relied on this provision when enacting federal assistance programs addressing education, including the education of students with disabilities (the IDEA) and the Americans with Disabilities Act and the education of students in poverty (Title I programs). State participation in these programs is voluntary; however, if the state accepts the federal funds, then the state must comply with all federal program requirements. Federal funds comprise approximately 15 percent of total school district general fund revenues.

The federal Every Student Succeeds Act (ESSA) is the most recent reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA). The stated focus of ESSA is an emphasis on equity, continuous improvement for all schools, effective educators, and greater flexibility for the use of federal resources. ESSA requires states to submit a state plan to implement the ESSA provisions, OSPI submitted Washington State's plan on September 18, 2017. The most current version of the plan can be accessed at Washington's Consolidated ESSA Plan. The plan went into effect starting in the 2017-18 school year and was revised on January 12, 2018.

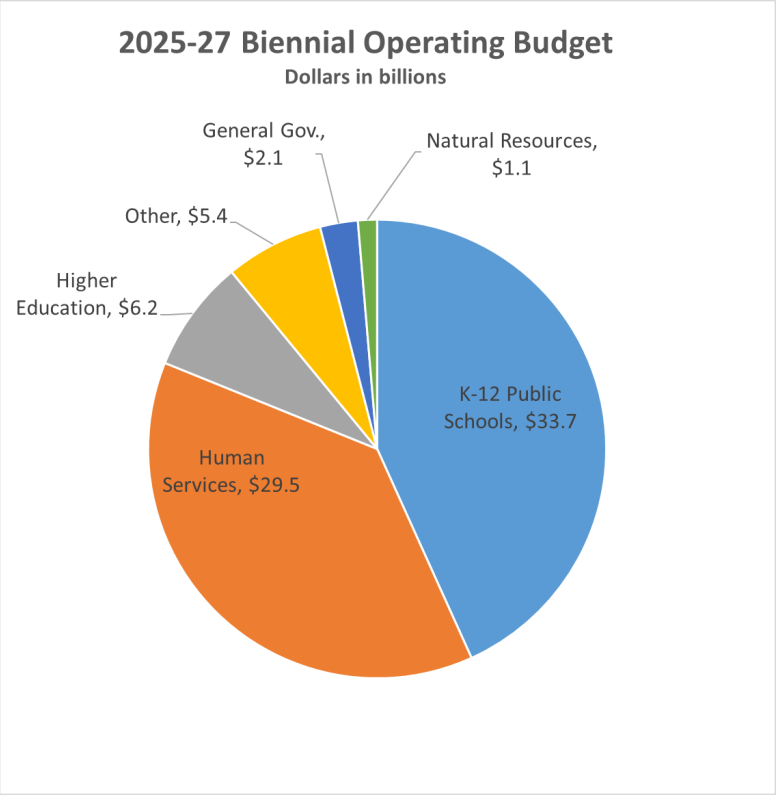
How much of the state near-general fund is spent on K-12 public schools?

The state general fund is the largest single fund within the state budget. It is the principal fund supporting the operation of state government.

Given the purposes are similar and fund transfers between the two are common, the Education Legacy Trust Account is often discussed in combination with the state general fund. Together, they are referred to as the state near-general fund.

In the 2025-27 biennium, the Legislature appropriated $33.7 billion, or about 43 percent, of the state near-general fund for the support and operation of K-12 public schools.

The following chart shows how the state near-general fund budget is currently allocated:



How do school districts receive local funding?

School districts are authorized to raise funds locally for their districts through excess levies, which are voter-approved and limited in duration. They can raise funds for transportation, construction and enrichment activities. For calendar year 2025, 188 of the state's 295 school districts passed local levies.

Since 1977, the Legislature has limited the amount school districts may collect through enrichment levies, previously referred to as maintenance and operation (M&O) levies. Prior to statutory changes in 2017, a school district's maximum levy authority was a percentage of the state and federal funding received by the school district in the prior year. Current law levy authority limits are the lesser of a per pupil amount or a rate per $1,000 of assessed property values. Before a school district may submit an enrichment levy to the voters, it must receive pre-ballot approval by OSPI.

In addition to enrichment levies, school districts are also authorized to collect voter-approved transportation vehicle levies, which may be used to pay for school buses or other school transportation equipment.

What is Local Effort Assistance?

The Local Effort Assistance (LEA) program, also referred to as state levy equalization, was created in 1987 to help districts that are at a disadvantage in raising enrichment levies due to low property values by providing state funded enrichment to eligible school districts. In the 2024-25 school year, 129 of 295 school districts were eligible for LEA and received distributions totaling approximately $204 million.

LEA provides funding to any school district that does not generate an enrichment levy of at least $1,550 per student when levying at a rate of $1.50 per $1,000 of assessed value. The $1,550 per-pupil cap is increased by inflation annually.

An eligible school district's maximum LEA is equal to the school district's resident enrollment multiplied by the difference of $1,550 and the school district's enrichment levy amount calculated on a per pupil basis at a rate of $1.50 per $1,000 of assessed value. School districts that are eligible for LEA but not levying the maximum allowable levy receive LEA in proportion to their actual levy collection

How does the state lottery support public schools?

When the state lottery was established in 1982, the Legislature deposited the lottery revenues into the state general fund, which supports K-12 public schools, higher education, human services, natural resources, and other state programs.

As a result of the passage of Initiative 728 in 2000 (the K-12 2000 Student Achievement Act), almost all lottery revenues were dedicated for educational purposes (except for about 10 percent, which was dedicated by previous legislation for debt service on the stadiums in Seattle).

In 2002, the Legislature authorized a new lottery game that is not subject to the distribution for educational purposes. The legislation authorized state participation in a multi-state lottery (now named Mega Millions), with the profits from the game going to the state general fund.

Under Chapter 27, Laws of 2010 (SB 6409), the Legislature created the Washington Opportunity Pathways Account (WOPA). Beginning in FY 2011, all net revenues from in-state lottery games, not otherwise dedicated to debt service on the stadiums, were dedicated to the new account. All net income from the multi-state lottery games, other than those dedicated to the Problem Gambling Account, were deposited into the WOPA rather than into the state general fund and used for specified early-learning, higher-education, and economic-development programs.

The Legislature then passed Chapter 241, Laws of 2016 (SB 6194) which funds charter schools through the WOPA. Prior to September 2015, charter schools received funding from the state general fund, but a Washington State Supreme Court ruling found charter schools are not common schools and are not eligible to receive funding from common school property taxes, which are deposited in the state general fund.

How is school construction funded in the state?

The Washington State Constitution treats capital construction differently from operating costs of basic education, and it is not part of the State's obligation under Article IX (see, Washington Supreme Court Order in McCleary issued on November 15, 2017). Since statehood, the state constitution has assumed that school district voters will incur debt to construct school facilities.

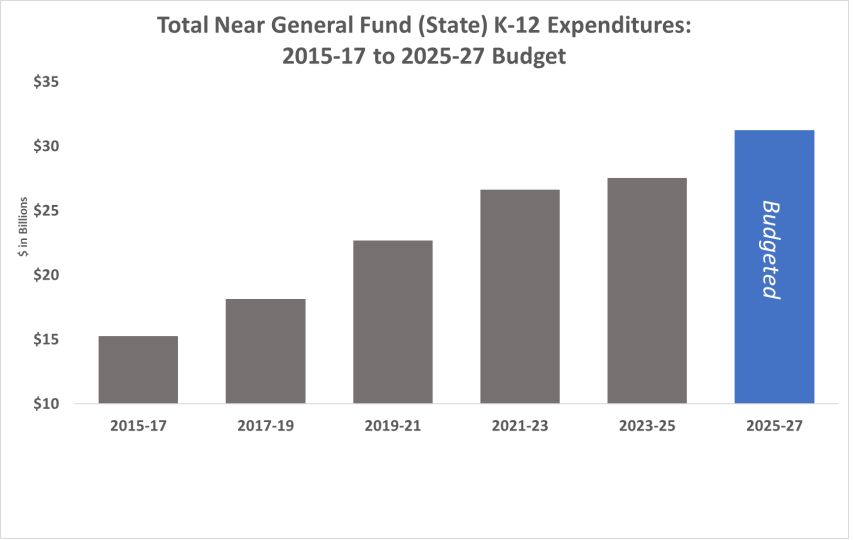
Additionally, in each biennial capital budget, the state provides financial assistance to school districts for constructing new and remodeling existing school buildings through the School Construction Assistance Program. The state-assistance program is based on two principles: (1) state and local school districts share the responsibility for the provision of school facilities; and (2) there is an equalization of burden among school districts to provide school facilities regardless of the wealth of the districts.

To be eligible for state funding, a school district must have a space or remodeling need and must secure voter approval of a bond levy or other funding for the local share of a school project. Once the local share is secured, the state money is allocated to districts based on a formula comprised primarily of a set of space and cost standards/allocations and a matching ratio based on the relative wealth of the district.

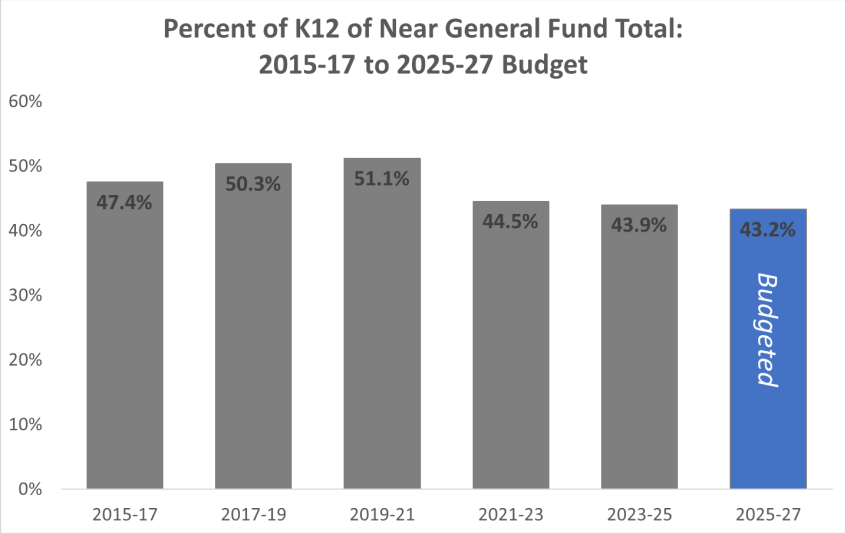
The state program does not reimburse all costs related to a project. Costs not eligible for reimbursement include site-acquisition costs; administrative buildings; stadiums/grandstands; most bus garages; and local sales taxes. Construction-related costs that are eligible include eligible construction costs per-square-foot; architectural and engineering fees; construction management; value-engineering studies; furniture and equipment; energy conservation reports; and inspection and testing.

How has the amount of near-general fund support of K-12 public schools changed over time?

As depicted on the following chart, the amount of state near-general funds spent for K-12 public schools has increased from $15 billion to $31.2 billion per biennium since the 2015-17 biennium.

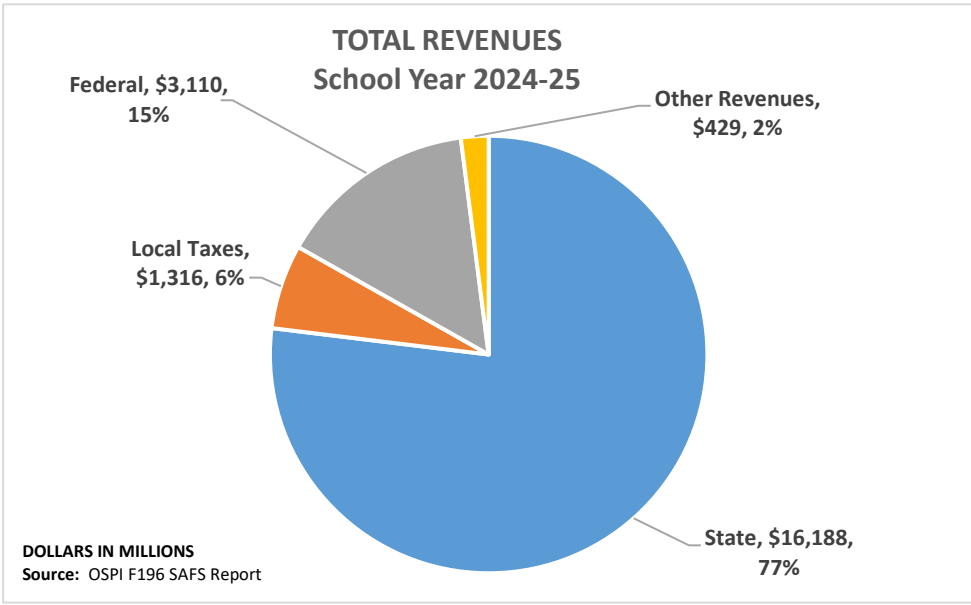


The chart below shows total near-general fund expenditures for K-12 public schools as a percentage of the statewide total. They have varied over the biennia and increases or decreases in the share for K-12 funding can be attributable to increases to K-12 funding relative to the total budget, or increased funding for other state funded programs.



How much of total K-12 funding comes from the state?

In addition to state funding, school districts receive funding from the federal government, local taxes, and other miscellaneous sources. The sources of funding provided to school districts for operating costs for the 2024-25 school year are provided below.



State: Approximately 77 percent of revenue is from state sources. This amount consists of funding for the seven categorical programs currently defined as "basic education" as well as a variety of other grants, allocations, and items funded from the state general fund, the Education Legacy Trust Account, and Washington Opportunity Pathways Account.

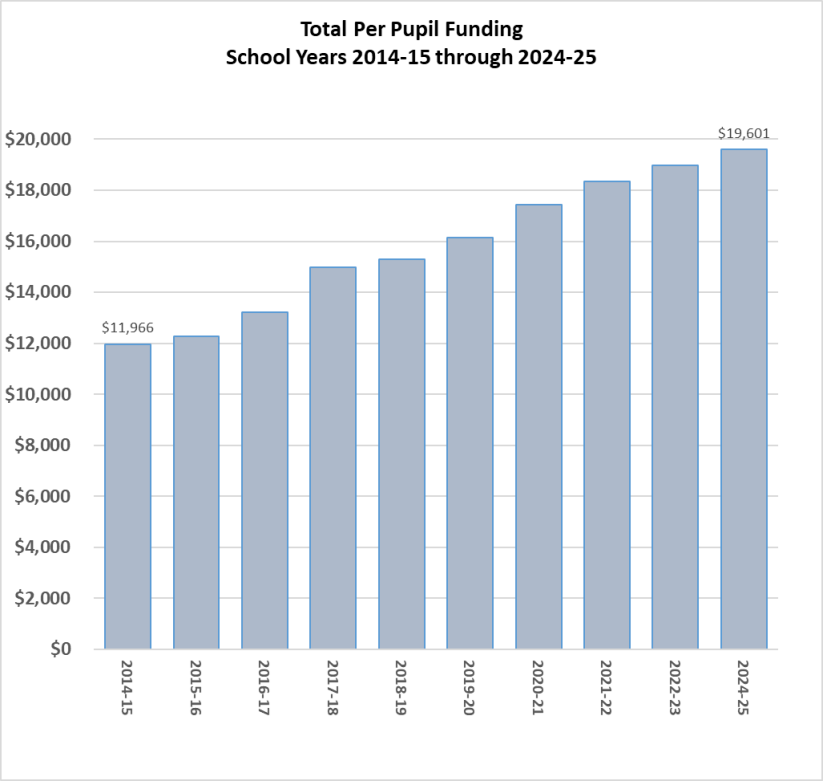
Local Taxes: Approximately, $1.3 billion, or 6 percent of the total school district revenues is derived from local taxes, which are primarily enrichment levies.

Federal: School districts received $3.1 billion from federal sources for the 2024-25 school year. This represents about 15 percent of their total revenue. This includes funding for the implementation of IDEA, instructional assistance and other strategies aimed at improving student achievement in high-poverty schools, a variety of professional development activities, the school lunch and other nutrition programs, financial assistance to compensate school districts as the result of federal land ownership, and a variety of smaller allocations and grants.

Other Revenue & Reserves — This category, totaling $429 million, or about 2 percent of total funding, includes a variety of miscellaneous sources such as charges and fees for non-basic education programs, school lunch charges, revenue from other school districts, rental income, donations, and the use of reserves or fund balance.

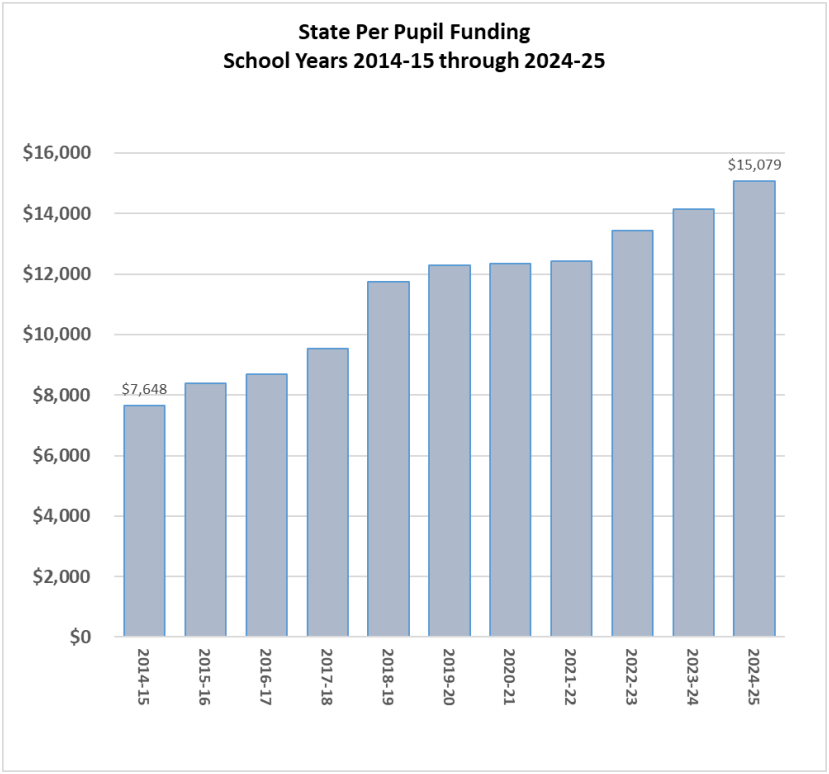
How has *total* per-student spending changed over time?

As can be seen from the following chart, total per-student spending (from state, federal, local, and other sources) has increased from $11,966 in school year 2014-2015 to $19,601 in school year 2024-25.



How has *state* per-student funding changed over time?

As can be seen from the following chart, state funding per student has increased from $7,648 in SY 2014-15 to $15,079 in SY 2024-25.



How is the salary level for teachers determined?

The Legislature allocates money to each district for state-funded employee salaries and associated fringe benefits. Salary funding is allocated to school districts based on minimum statewide average salaries for each of the three school staffing categories: certificated instructional staff (CIS), certificated administrative staff, and classified staff.

For school year 2025-26, the budgeted statewide CIS salary allocation was $80,164. State salary allocations are adjusted annually for inflation based on the IPD.

Regionalization – Salary allocations are adjusted to reflect regional differences in the cost of hiring staff. The *regionalization factor* for each school district is based, in part, on differences in the median residential value of each school district as well as all neighboring districts within a 15-mile radius. Districts whose median residential values exceed the statewide average receive upward adjustments of 6, 12, or 18 percent.

There is an additional experience factor adjustment of 4 percentage points for school districts with above-average education and experience for CIS.

The most recent regionalization and experience factors by district can be found on the Washington State fiscal transparency website at: https://fiscal.wa.gov/statebudgets/K12RegionalizationFactors

Supplemental Pay – School districts may provide supplemental pay for additional time, responsibilities, and incentives (TRI) beyond that provided by the state. Most supplemental contracts are paid for from local revenue and are for enrichment activities. State law provides that supplemental pay contracts must not create any present- nor future-funding obligation for the state. School districts must annually report to OSPI on supplemental contracts for TRI. The rate the district pays under a supplemental contract may not exceed the hourly rate of the CIS for services under the basic education salary.

How is the salary level of administrators and classified staff determined?

Like teachers, the Legislature allocates money to each district for administrator and classified employee salaries and associated fringe benefits. For school year 2025-26, the budgeted statewide salary allocation for administrators is $118,994 and for classified staff it's $57,507

How does Washington fund school employee health benefits?

Beginning in calendar year 2021, school employee health care procurement was consolidated under a nine-member School Employees' Benefits Board (SEBB) within the Health Care Authority. SEBB develops and procures employee benefit plans and authorizes premiums contributions. Like the Public Employees Benefits Board for state employees, SEBB determines employee and dependent eligibility and enrollment policies subject to certain conditions outlined in the law.

SEBB also removed local bargaining for medical, dental, vision, and other basic and optional insurance benefits provided for school employees. Employee bargaining over the dollar amount expended for school employee health care benefits must be conducted between the Governor and one coalition of all the bargaining representatives impacted by benefit purchasing with SEBB.