

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5627

Chapter 399, Laws of 2007

60th Legislature
2007 Regular Session

BASIC EDUCATION FUNDING

EFFECTIVE DATE: 05/09/07

Passed by the Senate April 18, 2007
YEAS 27 NAYS 17

BRAD OWEN

President of the Senate

Passed by the House April 17, 2007
YEAS 64 NAYS 34

FRANK CHOPP

Speaker of the House of Representatives

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE SENATE BILL 5627** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

Approved May 9, 2007, 10:00 a.m.

FILED

May 11, 2007

CHRISTINE GREGOIRE

Governor of the State of Washington

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5627

AS AMENDED BY THE HOUSE

Passed Legislature - 2007 Regular Session

State of Washington **60th Legislature** **2007 Regular Session**

By Senate Committee on Ways & Means (originally sponsored by Senators McAuliffe, Clements, Tom, Weinstein, Rockefeller, Oemig, Kastama, Hobbs, Pridemore, Eide, Franklin, Shin, Regala, Marr, Murray, Spanel, Hargrove, Kline, Kilmer, Haugen, Kohl-Welles and Rasmussen)

READ FIRST TIME 02/22/07.

1 AN ACT Relating to basic education funding; creating new sections;
2 and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** The state's definition of basic education
5 and the corresponding funding formulas must be regularly updated in
6 order to keep pace with evolving educational practices and increasing
7 state and federal requirements and to ensure that all schools have the
8 resources they need to help give all students the opportunity to be
9 fully prepared to compete in a global economy. The work of Washington
10 learns steering committee and the K-12 advisory committee provides a
11 valuable starting point from which to evaluate the current educational
12 system and develop a unique, transparent, and stable educational
13 funding system for Washington that supports the goals and the vision of
14 a world-class learner-focused K-12 educational system that were
15 established in the final Washington learns report.

16 This act is intended to make provision for some significant steps
17 towards a new basic education funding system and establishes a joint
18 task force to address the details and next steps beyond the 2007-2009
19 biennium that will be necessary to implement a new comprehensive K-12

1 finance formula or formulas that will provide Washington schools with
2 stable and adequate funding as the expectations for the K-12 system
3 continue to evolve.

4 NEW SECTION. **Sec. 2.** (1) The joint task force on basic education
5 finance established under this section, with research support from the
6 Washington state institute for public policy, shall review the
7 definition of basic education and all current basic education funding
8 formulas, develop options for a new funding structure and all necessary
9 formulas, and propose a new definition of basic education that is
10 realigned with the new expectations of the state's education system as
11 established in the November 2006 final report of the Washington learns
12 steering committee and the basic education provisions established in
13 chapter 28A.150 RCW.

14 (2) The joint task force on basic education finance shall consist
15 of fourteen members:

16 (a) A chair of the task force with experience with Washington
17 finance issues including knowledge of the K-12 funding formulas,
18 appointed by the governor;

19 (b) Eight legislators, with two members from each of the two
20 largest caucuses of the senate appointed by the president of the senate
21 and two members from each of the two largest caucuses of the house of
22 representatives appointed by the speaker of the house of
23 representatives;

24 (c) A representative of the governor's office or the office of
25 financial management, designated by the governor;

26 (d) The superintendent of public instruction or the
27 superintendent's designee; and

28 (e) Three individuals with significant experience with Washington
29 K-12 finance issues, including the use and application of the current
30 basic education funding formulas, appointed by the governor. Each of
31 the two largest caucuses of the house of representatives and the senate
32 may submit names to the governor for consideration.

33 (3) In conducting research directed by the task force and
34 developing options for consideration by the task force, the Washington
35 state institute for public policy shall consult with stakeholders and
36 experts in the field. The institute may also request assistance from
37 the legislative evaluation and accountability program committee, the

1 office of the superintendent of public instruction, the office of
2 financial management, the house office of program research, and senate
3 committee services.

4 (4) In developing recommendations, the joint task force shall
5 review and build upon the following:

6 (a) Reports related to K-12 finance produced at the request of or
7 as a result of the Washington learns study, including reports completed
8 for or by the K-12 advisory committee;

9 (b) High-quality studies that are available; and

10 (c) Research and evaluation of the cost-benefits of various K-12
11 programs and services developed by the institute as directed by the
12 legislature in section 607(15), chapter 372, Laws of 2006.

13 (5) The Washington state institute for public policy shall provide
14 the following reports to the joint task force:

15 (a) An initial report by September 15, 2007, proposing an initial
16 plan of action, reporting dates, timelines for fulfilling the
17 requirements of section 3 of this act, and an initial timeline for a
18 phased-in implementation of a new funding system that does not exceed
19 six years;

20 (b) A second report by December 1, 2007, including implementing
21 legislation as necessary, for at least two but no more than four
22 options for allocating school employee compensation. One of the
23 options must be a redirection and prioritization within existing
24 resources based on research-proven education programs. The report must
25 also include a projection of the expected effect of the investment made
26 under the new funding structure. The second report shall also include
27 a finalized timeline and plan for addressing the remaining components
28 of a new funding system; and

29 (c) A final report with at least two but no more than four options
30 for revising the remaining K-12 funding structure, including
31 implementing legislation as necessary, and a timeline for phasing in
32 full adoption of the new funding structure. The final report shall be
33 submitted to the joint task force by September 15, 2008. One of the
34 options must be a redirection and prioritization within existing
35 resources based on research-proven education programs. The final
36 report must also include a projection of the expected effect of the
37 investment made under the new funding structure.

1 NEW SECTION. **Sec. 3.** (1) The funding structure alternatives
2 developed by the joint task force under section 2 of this act shall
3 take into consideration the legislative priorities in this section, to
4 the maximum extent possible and as appropriate to each formula.

5 (2) The funding structure should reflect the most effective
6 instructional strategies and service delivery models and be based on
7 research-proven education programs and activities with demonstrated
8 cost benefits. In reviewing the possible strategies and models to
9 include in the funding structure the task force shall, at a minimum,
10 consider the following issues:

11 (a) Professional development for all staff;

12 (b) Whether the compensation system for instructional staff shall
13 include pay for performance, knowledge, and skills elements; regional
14 cost-of-living elements; elements to recognize assignments that are
15 difficult; recognition for the professional teaching level certificate
16 in the salary allocation model; and a plan to implement the pay
17 structure;

18 (c) Voluntary all-day kindergarten;

19 (d) Optimum class size, including different class sizes based on
20 grade level and ways to reduce class size;

21 (e) Focused instructional support for students and schools;

22 (f) Extended school day and school year options; and

23 (g) Health and safety requirements.

24 (3) The recommendations should provide maximum transparency of the
25 state's educational funding system in order to better help parents,
26 citizens, and school personnel in Washington understand how their
27 school system is funded.

28 (4) The funding structure should be linked to accountability for
29 student outcomes and performance.

30 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of the
32 state government and its existing public institutions, and takes effect
33 immediately.

Passed by the Senate April 18, 2007.

Passed by the House April 17, 2007.

Approved by the Governor May 9, 2007.

Filed in Office of Secretary of State May 11, 2007.