

EHB 2242

An Act relating to funding fully the state's program of basic education by providing equitable education opportunities through reform of state and local education contributions

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Major Changes

State **basic education compensation increases** provided based on a statewide average salary and the **state's basic education funding formulas are increased**

Salary differential is provided through a **regional cost factor**

Three **professional development days** are added to basic education

Health benefit allocation rate increases are provided

School district and ESD employees are moved into a **"School Employees' Benefit" program** beginning Jan. 1, 2020

Reduction of local levies and a new process for calculating school district maximum levy authority and local effort assistance (LEA) beginning with CY 2020

Bottom Line – Significant Increases Coming

- **This year**, state funding grows by **\$360 million**.
- Next year, combined changes to local and state funding **add nearly a billion more**.
- **By FY 2021**, the combined changes to state and local funding will provide **\$2.4 billion** above last school year's level.
- By 2021 total state funding for K-12 will grow to **\$13 billion** a year (11% more than last year).
- These are big increases which will make **local bargaining even more important** during implementation.

Changes to Basic Ed Programs

Beginning in 2017-18

- Additional funding is provided to **high poverty schools** for Learning Assistance Program
- More instructional time is allocated for **transitional bilingual** students in grades 7-12
- Districts will receive funding for more **highly capable** students (5%)
- **CTE and Skills Center** class sizes are lowered
- **Special education** enrollment cap is lifted to 13.5% providing more funding in some districts

Upcoming Compensation Changes

Beginning in 2017-18

- 2.3% **COLA** provided
- **SAM** still in place for teachers and ESAs
- **No Changes to TRI**

Beginning in 2018-19

- State compensation allocated on **averages**
- No state SAM – **local bargaining of base pay schedules** begins
- First year of a **phase in of market rate salaries**
- **Regional pay**
- 1 additional day of state funded **professional development**
- **Total compensation growth limited** to inflation (3%) or up to the average

State Salary Changes

- **Base pay schedules are bargained** with specific minimum and maximum amounts per district. **After five years** certificated staff must be provided a **10% increase** from the beginning salary.
- **Specialty pay up to 10%** may be provided to educational staff associates and teachers who teach math, science, technology, engineering, ELL, and special education. No add'l state funding is provided.
- The **annual cost-of-living adjustment** is added to basic education. The index is changed from Seattle CPI to IPD.
- **State salaries will be reviewed and rebased** every six years starting in 2023 by the legislature to ensure market-rate salaries are maintained.
- **Professional development days** are funded in addition to the average salary allocations..

State Salary Allocations

Certificated Instructional Staff

	SY 16-17	SY 17-18	SY 18-19	SY 19-20*
Minimum	\$35,700	\$36,521	None	\$40,000
Average	\$54,943	\$56,207	\$59,334	\$64,000
Maximum	\$67,288	\$68,836	None	\$90,000
Specialty	None	None	None	Up to 10%

Classified Staff (ESPs)

	SY 16-17	SY 17-18	SY 18-19	SY 19-20*
Average	\$33,412	\$34,180	\$39,976	\$45,912

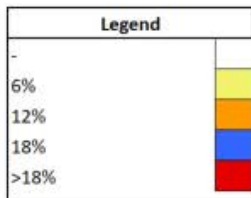
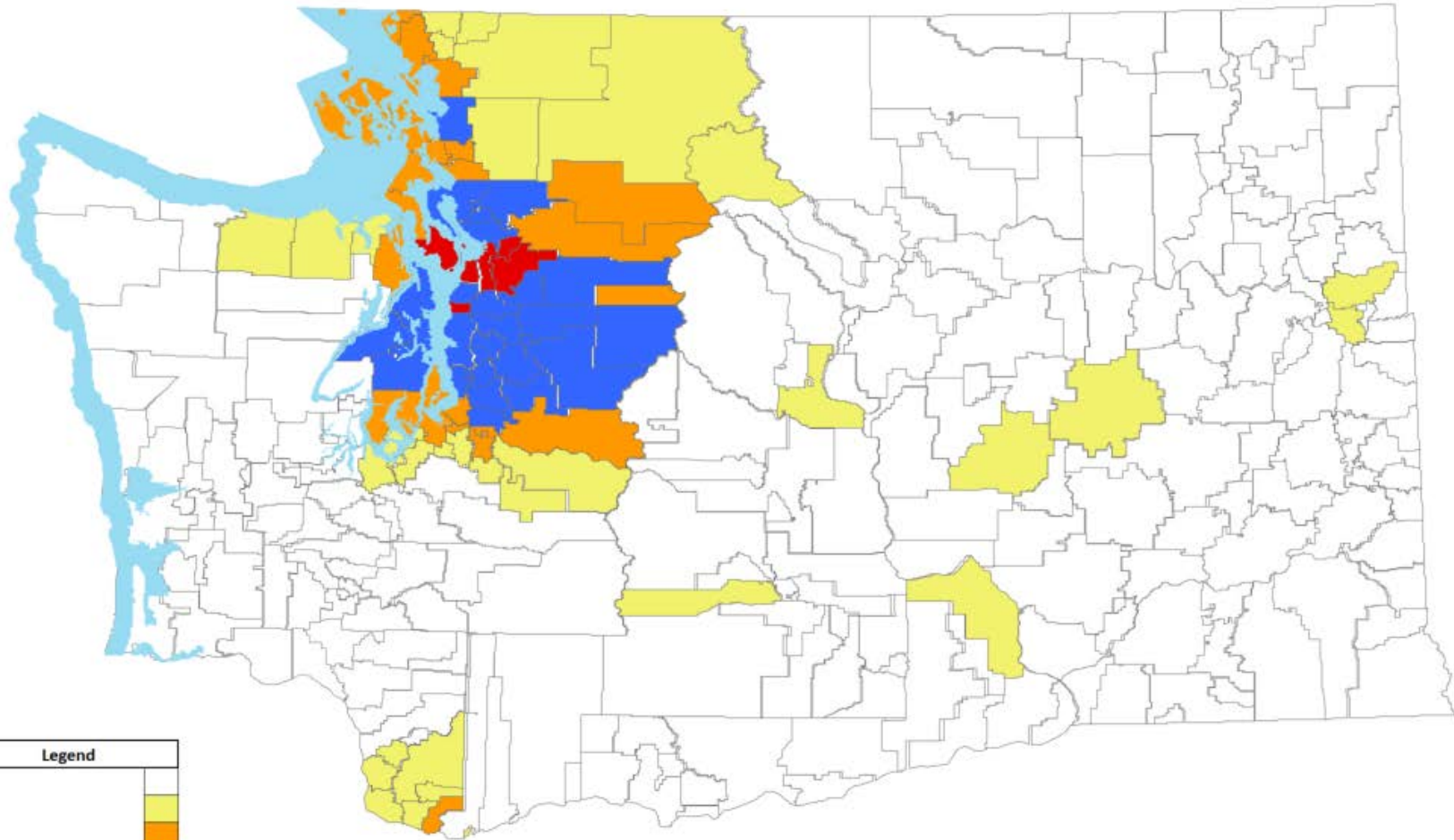
* Amounts will be inflated annually by IPD from SY 17-18

Regional Pay

State of Washington K-12 School Districts

Regional Factors 2018-19 SY

EHB 2242 (2017)

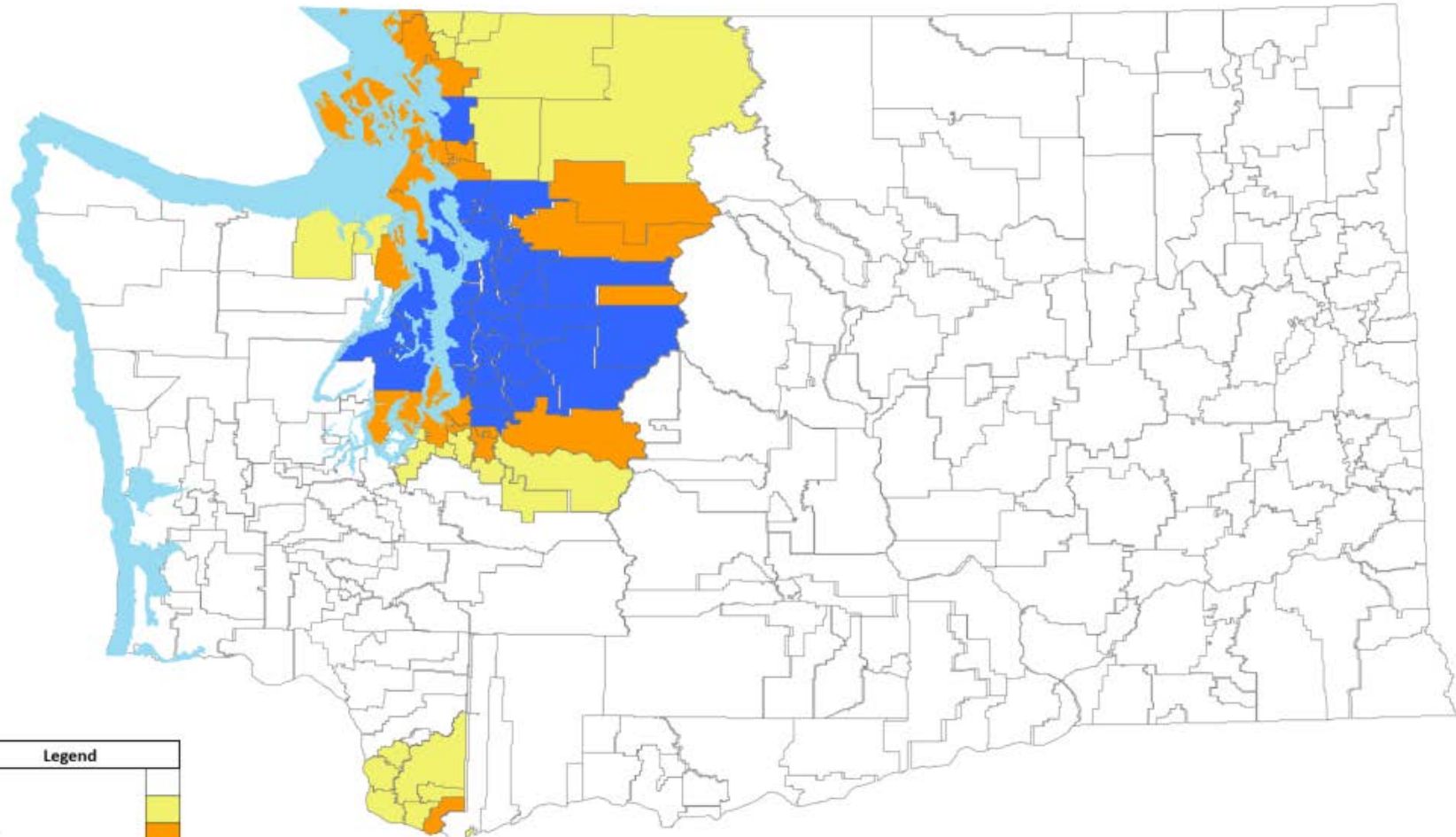


Regional Pay

State of Washington K-12 School Districts

Regional Factors 2022-23 SY

EHB 2242 (2017)



Legend	
-	White
6%	Yellow
12%	Orange
18%	Blue
>18%	Red

Example: No Regional Adjustment

Cheney Teachers and ESA's

Current	Average		Minimum	Maximum
2016-17 Total (State & Local)	57,626			
New Law - State Funding Only:				
2018-19	59,334			
2019-20	66,175		41,359	93,058
2020-21	67,499		42,186	94,920

2018-19 through 2020-21 are adjusted for current forecast of inflation.
Final numbers will vary slightly based on updated inflationary data.

Example: 18% Regional Adjustment

Seattle Teachers and ESA's

Current	Average	Minimum	Maximum
2016-17 Total (State & Local)	73,768		
New Law - State Funding Only			
2018-19	70,014		
2019-20	78,087	48,804	109,809
2020-21	79,648	49,780	112,005

2018-19 through 2020-21 are adjusted regional factor of 18% and current forecast of inflation. Final numbers will vary slightly based on updated inflationary data.

Impacts on Bargaining

For **collective bargaining contracts** executed or modified after July 6, 2017 AND in effect **for school year 2018-19**:

- The total salary increase in SY 18-19 cannot exceed the statewide average salary or an increase of the I-732 COLA (using CPI), whichever is greater.

State basic education salaries cannot exceed the state's total basic education allocation

Supplemental contracts are still allowed for “enrichment” of the basic education program

Beginning in SY 2019-20, a new definition for “enrichment” is created

New Definition of Enrichment

Reinforces that **local revenues are only for enrichment** beyond the state's definition of basic education.

Enrichment **activities are permitted if they are beyond** the state's:

- Minimum instructional offerings (1027 hours on average)
- Staffing ratios or program components of basic education programs (prototypical schools, special education, LAP, bilingual, highly capable, transportation)
- Professional development beyond state funded PD

Authorized activities include:

- Extracurricular, extended school days or extended school year
- Additional course offerings beyond statutory basic education
- Early learning
- Any additional salary associated with provision or administration of the enrichment activities
- **Additional activities or enhancements approved by OSPI**

Local School District Levies

Beginning Jan. 1, 2019:

School districts must receive **pre-ballot approval** for budgeted levy expenditures by the SPI

Maximum levy authority changes to **\$1.50/\$1,000 AV OR \$2,500 per resident FTE pupil**, whichever is less.

Local effort assistance (LEA) is matched up to a maximum of **\$1,500 per pupil**. LEA is provided per pupil proportionate to the levy rate assessed by the school district.

If a district levies only \$1.00, they would receive 66% of the \$1,500 maximum match or \$990 per pupil.

Health Benefits

Monthly **health benefit rates increase** to **\$820 in SY 17-18** and **\$840 in SY 18-19**.

School district and ESD employees are moved into a “**School Employees’ Benefit” program** beginning Jan. 1, 2020.

Basic benefits are provided by the SEBB.

- Optional benefits are no longer able to be bargained.
- The state will allocate a per 1.0 FTE cost to the district to be remitted to HCA.
- Employees qualify for benefits if they work more than 630 annual hours.

Additional Resources

Resources to Understanding the Bill

- The Bill Document found at www.leg.wa.gov/billinfo - Search 2242 and 5883
<http://app.leg.wa.gov/billsummary?BillNumber=2242&Year=2017>
- The Legislative Bill Report
<http://lawfilesex.leg.wa.gov/biennium/2017-18/Pdf/Bill%20Reports/House/2242.E%20HBR%20APH%2017%20E3.pdf>
- WEA Comparison of Education Funding and Policy Changes
- WEA Frequently Asked Questions EHB 2242 Edition <https://www.washingtonea.org/ourvoice/post/budget-faq/>

Changes to Basic Education Programs

Program	SY 16-17	SY 17-18	SY 18-19	SY 19-20	SY 20-21
LAP	No high poverty (hp) rate	1.1 Hrs/Wk for HP schools	1.1 Hrs/Wk for HP schools	1.1 Hrs/Wk for HP schools	1.1 Hrs/Wk for HP schools
TBIP	4.778 Hrs/Wk all grades	4.778 Hrs/Wk K-6 6.778 Hrs/Wk 7-12	4.778 Hrs/Wk K-6 6.778 Hrs/Wk 7-12	4.778 Hrs/Wk K-6 6.778 Hrs/Wk 7-12	4.778 Hrs/Wk K-6 6.778 Hrs/Wk 7-12
HiCap	Enrollment % = 2.314	Enrollment % = 5.0	Enrollment % = 5.0	Enrollment % = 5.0	Enrollment % = 5.0
Vocational Class Size	CTE: 26.57 SCs: 22.76	CTE: 23.0 SCs: 20.0	CTE: 23.0 SCs: 20.0	CTE: 23.0 SCs: 20.0	CTE: 23.0 SCs: 20.0
Special Ed	Enrollment % = 12.7	Enrollment % = 13.5	Enrollment % = 13.5	Enrollment % = 13.5	Enrollment % = 13.5
Professional Development	0 days	0 days	1 day	2 days	3 days
I-732 COLA	1.8% + 1.2% one-time	2.3% (one-time COLA continues)	COLA is part of the salary phase-in	IPD COLA increases base avg salary	IPD COLA increases base avg salary
Market Rate Salaries	 	Incl'd in BE definition	Incl'd in BE definition	Incl'd in BE definition	Incl'd in BE definition

More Questions???

