



# TWIO

## This Week In Olympia

Week 8 | March 5, 2010

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## Week 8 - March 5, 2010

### This Week in Review

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This is the 54th day of the Jan. 11 through March 11 2010 Legislative Session.  
6 to go

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This Week In Olympia is emailed to active WASA and AEA members every Friday and is posted on WASA's [website](#). TWIO provides schedules for committee hearings, a Bill Watch (which tracks bills as they move through the legislature) and information on legislative issues important to school administrators.

### Taxes and Budgets

With only six days remaining in the regular session, Senate Democrats in a surprise move lead by Senator Rosa Franklin and Majority Leader Lisa Brown, unveiled a "high earners" income tax proposal to "begin restructuring of our tax system" and to close the revenue gap in their supplemental budget proposal [SSB 6444](#). [PSSB 6250](#) would require a statewide vote in November, giving citizens the opportunity to choose between the high-earners tax or continuing with a 0.3 cent temporary sales tax that the Senate Democrats have proposed to close part of the \$2.8 billion budget gap in their budget.

PSSB 6250 would impose a 4.5 percent tax on individuals with income above \$200,000, above \$300,000 for a head of household, and above \$400,000 for a married couple. The income tax would not take effect until 2011 and would cut the state share of sales tax from 6.5 cents per taxable dollar to 5.5 cents. It would also give tax credits to businesses that pay a business-occupations tax based on gross receipts.

Earlier in the week, Rep. Ross Hunter unveiled the House five part tax [proposal](#). The bill would collect \$758 million through: closing tax loopholes; adding a one dollar tax to cigarettes; removing sales tax exemptions on bottled water, candy, gum, cosmetic surgery, etc.; temporarily increasing taxes for services of lawyers, accountants, etc. and repealing other exemptions; and, using lottery funds ([SB 6409](#)).

There is little agreement on any tax package proposal-either within or between the House and the Senate. Because legislators must know the bottom revenue line before they can pass a balanced budget, the tax debates have delayed action on a compromise budget. The Senate passed their budget (25-19) on Saturday and sent it to the House. The House has yet to hear their budget. You can access a budget comparison [here](#) which includes changes that have been made so far on the two budgets. OSPI has posted [pivot tables](#) that show the estimated impacts of the budgets for each school district.

## K-12 Bills Still Alive

March 5 is the last day to consider opposite house bills (5 p.m.) (except initiatives and alternatives to initiatives, budgets and matters necessary to implement budgets, differences between the houses, and matters incident to the interim and closing of the session). Almost all of the education bills still alive must pass before 5 p.m. today or they are technically dead. See Bill Watch on last page.

### HB 1418-dropout re-engagement

This bill is an outgrowth of the Building Bridges project. It creates a statewide system to re-engage 16-21 year olds who have dropped out of school. The bill has been sent to the governor.

### HB 2621-STEM programs

This bill directs OSPI to designate up to three middle and three high schools to offer technical assistance and advice to school districts on STEM programs. It must return to the House for acceptance or rejection of Senate amendments.

### HB 2776-prototypical funding formula

After a lengthy debate about whether or not this bill would "obligate" future legislatures to the increases in basic education funding embedded in the bill-the Senate amended the bill changing the title, the effective date, and declaring an emergency. See last week's [TWIO](#).

### HB 2801-antiharassment policies

This bill requires OSPI (and others) to update antiharassment model policies for school districts and for school districts to update their policies. As amended, it returns to the House for acceptance or rejection.

### HB 2867-promoting early learning

This bill directs the Department of Early Learning to develop a comprehensive birth-to-three plan by December 2010.

### HB 2913-innovative high schools

This bill authorizes non-high districts to create innovative inter-district cooperative high school programs. The bill passed the Senate and has been sent to the governor.

### SHB 3036-school district nonvoter-approved bonds

This bill requires a district to publish notice of intent to approve nonvoted bonds in excess of \$250,000 and hold a hearing at any regular or special meeting of the board. This does not apply to any refinancing or refunding of outstanding nonvoted or voted bonds. The bill passed the Senate and was sent to the governor.

### SSB 6604-school district flexibility

This bill is this year's attempt to remove, suspend or amend unfunded mandates. Everything was removed except for the repeal of student learning plans. It was then amended on the floor to require the plans only for eighth grade

students who didn't pass the state assessment and added the permissive rather than mandatory "Becca" truancy provisions from [HB 3039](#). The bill (which originated in the Senate) then passed the House and was sent back to the Senate for acceptance or rejection.

### 2ESSB 6696-education reform

This bill proposes to move education reform forward in Washington state and strengthen the state's eligibility for Race To The Top federal grants. It passed the House as amended in the Ways and Means Committee (76-22).(See last week's [TWIO](#).) The bill now *returns* to the Senate for acceptance or rejection.

## School Consolidation

An amendment was added to the Senate budget providing \$250,000 for a commission to make recommendations to reorganize and reduce school districts and ESDs. Rep. Sam Hunt's bill ([HB 2616](#)) that failed to even receive a hearing in the House-was added to the budget (removing only the requirement that recommendations must be a reduction to 150) by Senator Fraser. Click [here](#) to see the budget language and [here](#) to see WASA's email to the *Seattle Times*. Your representatives (see the [Session Guide](#) for your legislator information), Rep. Hunt (hunt.sam@leg.wa.gov), and Sen. Fraser (fraser.karen@leg.wa.gov) should hear from districts. (Do not use district communications.)

## Sine Die?

So the question on everyone's mind is-will they get out on time (March 11)? The short answer is: nobody knows.

## Legislative Wrap-Up

Don't forget to mark your calendars for OSPI's 2010 Session Wrap-Up video conference on Thursday, March 18, 2010, 1:30-3:30 p.m. Click [here](#) for details.

## Tracking "Tell Your Story"

Make sure *your* legislators know what impact the cuts proposed in the Governor's Books 1 and 2 Budgets would have on *your* district.

Tally: 20 school districts-84 legislators  
[View](#) the stories.

## Retirement and Health Benefits

At this point in time, three pension bills and two health bills remain alive. An extension of the disability study started last year is found in the House budget keeping that issue

alive. Among the issues possibly alive is ESSB 6426 which either eliminates the Employee Retirement Benefit Board in the House version or suspends the Select Committee on Pension Policy until 2012 in the Senate version.

Probably the most significant issue this session for pensions is that both the House and Senate budgets do not make further cuts to retirement funding. With the state having unfunded liability to the tune of \$5.9 billion for TRS and PERS Plan 1, it can ill afford to let this amount keep growing. The budgets also protect the K-12 employee health benefits allocation set last year. It does not keep up with medical inflation, however holds the line in terms of the allocation. The Senate budget does reduce the retiree carve-out from \$64.90 to \$60.00 per month. At this point the House budget does not address this issue.

Hopefully, we will be able to wrap up pension and health benefit issues next week.

Additional updated information on pension and health benefit bills can be found on our association's website in the "Retirement/Health Benefit" [bill watch](#).

## AEA

AEA continues to watch the budget process, as the session winds down. Also, now that revenue bills have been introduced, we're studying these closely, as some are tied directly to important K-12 programs, such as levy equalization and the K-4 staffing ratio enhancement.

AEA is particularly watching the levy equalization process as SHB 2670 appears to be moving, but SHB 2893 still remains in Senate Ways and Means at the time of this writing. We strongly feel that if there is to be an increase in the levy lid, there must be a corresponding increase in levy equalization.

While we're still awaiting the Senate Capital Budget, we've been working with a number of education, small business, labor, and energy consultants in urging individual senators to support SHB 2561, jobs bill, which passed the House in January. On Thursday, we were among a dozen or so of the lobbyists who had the privilege of meeting with Jim McIntire, state treasurer. He seemed to be willing to listen to alternative ideas, that might try to start the jobs process to save energy and expenses by renovating school, university and government buildings in 2010 rather than 2011 as is planned by the bill. He also mentioned the idea of including a revenue stream in the ballot title in November, providing the bill is passed by the Senate and signed by the Governor. It was an honor to advocate for the \$200M energy grant for K-12 in the House Capital budget in that meeting.

Finally, we were pleased that the House listened to our concerns about ES 6724, shared leave, and amended the bill passed earlier by the Senate, which would limit the amount that an employee can be on shared leave to two

years. Current law provides for one year, and the Senate version provided for three years. Though we don't oppose the bill, we continue to be concerned about the lack of funding at the local level for the second year. On Thursday the House passed the amended bill, which now goes back to the Senate.

## Committee Members/Keeping up with the Legislative Session-Useful Links

[Washington State Government](#)

[State Legislature](#)

[Senate](#)

[House of Representatives](#)

[Office of the Governor](#)

[OSPI](#)

[Senate Early Learning & K-12 Education](#)

[House Education](#)

[Senate Ways and Means](#)

[House Ways and Means](#)

[House Education Appropriations](#)

[House Capital Budget](#)

[TVW](#)

## Bill Watch

Each week in TWIO, we track bills that are moving through the legislature. A bill's "status" changes as it is heard in committees and then either dies or moves on to the floor of the House or Senate. It then crosses over to the opposite house and goes through the same process. Bills, including sponsors, amendments, actions and history can be found by clicking on the bill number. In the bill page, scroll down and click on the last item under "Bill Documents". You can view a shorter bill analysis under "Bill Reports". Again, the last item relates to the bill in its *current* status.

March 5 is the last day to consider opposite house bills.

March 11-sine die.

The bills in **Bill Watch** are still moving.

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