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About TWIO

This Week in Olympia is emailed to active WASA and AEA members each Friday during the Legislative Session and is posted on WASA's website at www.wasa-oly.org/TWIO.

Special Edition: Senate Adopts "Bi-Partisan" 2012 Supplemental Operating Budget

In last week's *TWIO* ([Week 8, March 2](#)), we mentioned that Senate Democrats lacked the necessary 25 votes to adopt their proposed budget—and mentioned that Senate Republicans were courting moderate Democrats in a potential effort to advance a Republican-sponsored budget. The truth came to light in the most shocking way on Friday afternoon.

Republican leaders moved to the "Ninth Order of Business," a procedural motion which allows the Senate to bring bills directly from a committee to the floor without passing through the Rules Committee. Using this motion allows a bill to be moved even if there have been no hearings on the legislation. The Democrat's 27–22 vote majority quickly evaporated as three moderate D's (Senators Kastama, Sheldon and Tom) voted with the Senate's 22 Republicans on the motion for Ninth Order. Once the Senate was in the Ninth Order, Republicans moved to bring four bills straight to the floor. One of those bills was SB 5967, the governor's 2012 Supplemental Operating Budget request (Senate Democrats unveiled their Proposed Substitute to SB 5967 last week; however, it had not yet been acted upon—and Republicans had a striking amendment with their own proposal prepared). Democrats tried to quell the rebellion by quickly calling a recess for the purpose of caucuses, but that motion was defeated by a 25–24 vote. Additional motions intended to sidetrack the coup were attempted by Democrat leaders, but each failed 25–24.

SB 5967 was moved to Second Reading (eligible for amendment with the Republican's version of the budget) and Democrats, in a final attempt to put the brakes on a runaway train, demanded the reading of the full 235-page bill using an obscure and rarely used Senate rule. This small respite allowed the Democrats to regroup and introduce a series of amendments to the Republican striking amendment. Within about an hour, Democrat senators had 35 amendments "on the bar." Democrat leadership finally relented and allowed the full reading of the bill to stop after about 30 pages had been read into the record. Members took a short break for dinner (and caucus) and were back on the floor to begin a grueling and often angry debate on the amendments. The presiding officer, Lt. Governor Brad Owen, was forced to gavel down a number of senators for "impugning the motives" of the other party. One senator was gavelled down twice for angrily saying the Republican budget was a "stunt."

Although amendments in the Senate are typically done by voice vote (members literally yelling "Aye" or "Nay"), full roll call votes were demanded on the vast majority of the budget amendments, with each one failing with votes of 24–25. Only one amendment (a \$500,000 restoration for a higher education program called Leadership 1000) was adopted.

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The amended striking amendment was then moved to Third Reading for final debate and passage. Again, the debate was very rancorous. Rather than recount the 90-minute debate, you are encouraged to watch this historic event on [TVW](#) (debate on final passage begins at about the 20-minute mark). The text of the full debate is also available from the [Washington State Wire](#). Ultimately, the amended striking amendment was adopted, again, with a vote of 25–24 and was sent immediately to the House.

Full details of the Senate-adopted budget (ESB 5697) are available from the Legislature’s budget agency: the [Legislative Evaluation & Accountability Program \(LEAP\) Committee](#). The details of the K–12 education portion of the Senate-adopted budget follow below. Pages 5–6 of the *TWIO* contain a line-by-line comparison of the four legislative K–12 budget proposals currently on the table.

A few quick notes about the Senate-approved budget:

- The Senate-approved budget solution includes \$773 million in spending reductions; \$112 million in various transfers; \$71 million in a diversion of liquor revenues from local governments to the state’s General Fund; and \$71 million from Solid Waste Tax revenues to the General Fund. Another \$133 million would be “saved” by postponing a required pension payment (via [SB 6378](#), another bill brought to the floor and adopted using the Ninth Order procedure). The adopted budget would leave \$502 million in reserve. K–12 education would be cut by \$39.8 million. Neither the General Apportionment delay, nor the delay in Local Effort Assistance (LEA or levy equalization) payments are included in this budget.
- The adopted budget includes \$5.8 million for [SB 5895](#), implementing a revised Teacher/Principal Evaluation system. SB 5895 was adopted by the House on February 29 and has been sent to the governor for her action.
- The adopted budget presumes the adoption of [SB 6618](#), which would eliminate non-basic education funding mandates of Initiative 728 (Student Achievement Fund) and Initiative 732 (mandatory educator COLAs). Both I-728 and I-732 are currently “frozen,” but are a part of required maintenance level spending beginning again in the 2013–15 biennium. SB 6618 also calls for a workgroup of legislators to develop a basic education financing plan in response to the Supreme Court’s *McCleary* decision in time for the next legislative session. Neither the House-proposed Joint Task Force on Education Funding, nor the Senate Democrat-proposed “Blue Ribbon” Commission on Education Funding are a part of the Senate-adopted budget.

K–12 Reductions

NATIONAL BOARD BONUS – (\$17.7 million)

The National Board Bonus program is a voluntary program that provides annual bonuses to teachers who have earned certification from the National Board for Professional Teaching Standards in one, or more, of 25 subject areas. An additional Challenging School bonus is provided to Nationally Board certified teachers who teach in a school with a high enrollment of students eligible for the free and reduced price lunch program. For the 2011–13 Biennium, the annual bonus is \$5,090 and the challenging bonus is an additional \$5,000 per year. Beginning with bonuses earned for school year 2011–12, the annual base bonus will be \$2,500 rather than \$5,090; first-year recipients’ bonuses will not be pro-rated, but will be paid at the full amount; and bonuses will be limited to a five-year term. Challenging bonuses will remain unchanged.

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RUNNING START – (\$8.4 million)

Running Start provides students a program option consisting of attendance at certain institutions of higher education and the simultaneous earning of high school and college/university credit. Current funding is provided up to 1.2 FTE. Beginning in school year 2012–13, funding is reduced to a maximum of 1.0 FTE.

READINESS TO LEARN – (\$3.2 million)

The Readiness to Learn program provides grants to school and community consortia to support students and families with the goal of ensuring that all children are able to attend school prepared to learn. As of Fiscal Year 2013, state funding for the grants is eliminated.

NAVIGATION 101 – (\$2.8 million)

The Navigation 101 program provides grants and technical assistance to school districts to provide student guidance curriculum and individual planning to ensure student career and college readiness. Beginning in Fiscal Year 2013, funding for the program is eliminated.

SCHOOL BASED MEDICAID – (\$2.8 million)

State funds, through the Health Care Authority budget, will no longer be available for school-based medical services. This saves \$3.4 million. Local school districts may continue to provide the matching funds needed for Medicaid reimbursement through inter-governmental transfers. This will increase some districts' special education costs and qualify those districts for additional safety net funding, which in turn increases the state's safety net costs for Fiscal Year 2013. \$605,000 is provided in the K–12 budget for this expected expenditure, resulting in net reduction of \$2.8 million in the overall 2012 budget.

PASS PROGRAM – (\$1.5 million)

The Promoting Actual Student Success (PASS) program started during Fiscal Year 2012. Funding for this program provides enhanced support for College Bound Outreach, the Building Bridges program, the Jobs for America's Graduates program, and the Opportunity Internship program. As of Fiscal Year 2013, this additional funding for the activities through the PASS program is eliminated.

BEGINNING EDUCATOR SUPPORT TEAM – (\$1.0 million)

The Beginning Educator Support Team (BEST) program provides early career educators with mentorship and support. Funding for this service is eliminated as of Fiscal Year 2013.

OTHER SAVINGS – (\$11.8 million)

Education agency reductions are made at the State Board of Education, the Professional Educator Standards Board. Funding to support the building and maintaining of a public database of school information (which has been completed) allowing OSPI to communicate using electronic media is eliminated. The vast majority of non-basic education programs funded in the 2011–13 budget are eliminated in the second year of the biennium. Net savings of all of these reductions is \$11.8 million. For more detail on the items cut see the budget comparison on pages 5–6.

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K-12 Enhancements

TEACHER/PRINCIPAL EVALUATION SYSTEM – \$5.8 million

Funding is provided to implement SB 5895, revising the statewide system of performance evaluation for teachers and principals. The agreed-upon compromise bill has been adopted by both the Senate and House and awaits action by the governor.

Additional Changes

RACE TO THE TOP – \$17.9 million

Federal expenditure authority is provided to the Department of Early Learning for the Race to the Top Early Learning Challenge Grant that was awarded to the state in December 2011. The state was awarded a total of \$60 million under the grant. The grant will last for four years and primarily be used to implement and expand the Quality Rating and Improvement System (QRIS) that the Department piloted in the 2009–11 biennium. The grant will also be used to support the WaKIDS kindergarten assessment, professional development, and various system supports.

CONSOLIDATED K-12 HEALTH BENEFITS – \$12.4 million

Funding is provided for the startup costs associated with the creation of the School Employees' Benefits Board (SEBB) program within the Health Care Authority pursuant to SB 6442. The SEBB will provide centralized purchasing of health benefits for public school employees throughout the state beginning January 1, 2014.

Rather than providing "new" money for [SB 6442](#), the Senate-adopted budget requires the Health Care Authority to provide a \$12.4 million loan from the Public Employees' and Retirees Insurance Account to the School Employees' Insurance Administrative Account in order to fund startup costs during the 2011–13 biennium. The budget provides terms for repayment of the loan.



2012 Supplemental Operating Budget Proposals – K-12 Education

	Senate -adopted	House -adopted	Senate D's	House R's
2011-13 Original Appropriations	13,783,321	13,783,321	13,783,321	13,783,321
2011-13 Previous Legislative Action	13,708,437	13,708,437	13,708,437	13,708,437
2011-13 Maintenance Level	13,635,966	13,635,308	13,635,308	13,635,308
2012 Policy Other Changes:				
SBE Reduction	-128	-85	0	-128
PESB Reduction	-355	-355	0	-355
LASER	-356	-35	0	-356
Reading Corps	-950	-95	0	-951
Leadership Academy	-810	-81	0	-810
College Bound Recruiting	-1,000	-100	0	-1,000
Achievers Scholars	-675	-67	0	-675
IT Academy	-2,000	-200	0	-2,000
Project Lead the Way	0	250	0	250
Skills Centers as Training Hubs	0	150	0	150
Aerospace Assembler Program	0	300	0	300
PASS Program	-1,500	0	0	-1,500
Readiness to Learn	-3,235	0	0	-3,235
Beg. Educator Support Team	-1,000	-1,000	0	-1,000
Principal & Supt Internships	-477	-48	0	-477
CTE Start-Up Grants	-977	0	0	-976
Building Bridges	-337	0	0	-337
STEM Lighthouses	-135	-14	0	-135
Non-Violence Training	-50	0	0	-50
Graduates Program	-135	-14	0	-135
Regional Technology Centers	-980	-98	0	-980
School Based Medicaid	605	0	0	0
June 2013 Apportionment #	0	-340,000	-340,000	0
June 2013 Contingency Funds	0	10,000	10,000	0
Student Health & Safety	0	-254	0	0
Implement Revised Eval Systems	5,767	0	5,767	5,767
Student Achievement Gap	0	-5	0	-50
Navigation 101	-2,808	0	0	-2,808
Open K-12 Education Resources	0	500	0	0
State Board of Education Rules	0	80	0	0

	Senate -adopted	House -adopted	Senate D's	House R's
WaKids	0	1,500	0	-400
Career Pathways	0	205	0	205
Community Partnership Schools	0	1,500	0	0
Career & Tech Ed Grants	0	100	0	0
Urban School Turnaround	0	3,000	0	0
MS/HS Applied Math/Sci/En	-125	0	0	-25
Math/Science Prof Development	0	-3,473	0	0
Running Start	-8,356	0	0	-8,356
Levy Equalization Payment Shift	0	-74,841	0	0
K-20 Network Reduction	-1,221	-122	0	-122
Eliminate Military Compact	-45	0	0	0
Reduce Alternative Routes	-312	0	0	0
Project Citizen	-25	0	0	-25
Opportunity Gap Committee	-50	0	0	0
OSPI Website	-126	0	0	-25
ESD Administrative Reductions	-524	0	0	-500
OSPI Administration Reduction	0	0	0	-84
Institutional Caseload Change	0	0	0	-93
ALE Adjustment	0	0	0	-5,145
Basic Education Workgroups	0	0	0	-1,017
Civil Rights Enforcement	0	0	0	-133
Bullying Prevention Workgroup	0	0	0	-93
Transportation Coordinators	0	0	0	-892
Interpreter-Services Standards	0	0	25	0
Foster Care Outcomes	0	0	128	0
At-Risk Students	0	0	200	0
K-3 Class Size Reduction	0	0	32,300	0
Policy--Other Total	-22,320	-403,302	-291,580	-28,196
2012 Policy Comp Changes:				
Freeze Salary Step	0	0	0	-14,434
National Board Bonus Change #	-17,738	-8,296	0	-8,296
Pension Rate Correction	248	263	622	265
Policy--Comp Total	-17,490	-8,033	622	-22,465
TOTAL POLICY CHANGES	-39,810	-411,335	-290,958	-50,661
Total Policy Change w/out GA/LEA Delay	-39,810	-6,494	39,042	-50,661