



TWIO

This Week In Olympia

January 18, 2013

IN THIS ISSUE:

- [This Week in Review](#)
- [Call to Action](#)
- [AEA](#)
- [Pensions & Health Benefits](#)
- [Committee Meeting Schedule](#)
- [Useful Links](#)
- [Bill Watch](#)

Week 1 - January 14–18, 2013

This Week in Review

Session Convenes

On Monday, January 14, the 63rd Washington State Legislature convened its 2013 legislative session. This first year of a two-year biennial session is known as the “long” session and is limited to 105 days. The main focus for legislators will be to adopt a 2013–15 Operating Budget, along with a 2013–15 Capital Construction Budget and a 2013–15 Transportation Budget. It is expected that the Operating Budget debate and K–12 education, especially efforts to comply with the Supreme Court’s *McCleary v. State* ruling, will take center stage this session.

Currently, the next two-year Operating Budget (beginning July 1, 2013) is projected to be \$900 million “in the red.” Note that this is not an actual “deficit,” rather there is a projected gap between anticipated revenues and expected expenditures. This nearly \$1.0 billion problem does not take into account the significant K–12 education down payment needed to ensure compliance with the Court’s order in *McCleary*. Debate over the size of the required down payment will continue throughout the session; however, most observers expect to see at least a \$1.0 billion down payment, while others peg the needed investment at \$2.0 billion or more. For example: the [Final Report from the Joint Task Force on Education Funding](#) includes an adopted spending plan with a 2013–15 K–12 enhancement of \$1.4 billion; [Governor Gregoire’s 2013–15 budget proposal](#) includes a request of \$1.0 billion; and [Representative Ross Hunter \(D-Medina\)](#), Chair of the House Appropriations Committee, has stated his belief that approximately \$1.7 billion is necessary.

How to resolve this budget dilemma will be another session-long debate. In simple terms, there are only two options: make broad spending cuts across state government or increase revenue (or a combination of the two). Governor Gregoire proposed a budget using only currently available revenues, as required by law, but quickly rejected the plan and simultaneously introduced a second, revenue-enhanced budget. Her “Book II” budget includes almost \$1.5 billion in increased revenue from a combination of budget transfers and new or extended taxes (along with a series of budget reductions). Rep. Hunter has consistently argued that digging out of the current budget hole without additional revenue would be irresponsible. [He recently noted](#) that “It is possible to image scenarios that do not involve additional revenue, but difficult.” Hunter advocates for a mix of responsible spending reductions and new revenue.

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.

Register now to attend the annual WASA/WSSDA/WASBO Legislative Conference, March 10–11, 2013, at the Red Lion Hotel and Capitol, Olympia. Register at www.wssda.org.

This Week in Olympia:
Week 1, January 14–18, 2013

continued

On the other side of the spectrum are Washington’s new Governor Jay Inslee, House Republicans, and the new Senate Majority Coalition Caucus (consisting of 23 Republicans and 2 breakaway Democrats). As a candidate, Inslee consistently campaigned against “general tax” increases and has continued talking against a need for additional revenue since being elected. [His Inaugural Address](#), presented on Wednesday, included numerous references to efficiency, effectiveness, transparency, accountability and reform—but there was no discussion of revenue. House Republicans continue to reiterate that no additional taxes are needed. Representative Kevin Parker (R-Spokane), providing [the Republican response](#) to Inslee’s address stated that Republican budgets would “prioritize education first; support public safety; and protect the most vulnerable—and do all this without raising taxes.” He said fully funding education and complying with *McCleary* was a priority, but contrary the “rhetoric, [Washington has] the resources to fully fund education; we don’t need to raise taxes to do it.” Leaders of the Senate Majority Coalition Caucus, since they first publicly announced the formation of the alliance on December 10, have clearly stated they will not even consider tax increases this session.

New Majority Controls Senate

On Monday, the first day of session, the first order of business was to swear in over 30 new legislators. In the Senate, after the ceremonies were completed, organization of the body began. The Democrats, which retained their numerical majority (26-23) in the November election, introduced a Resolution ([SR 8602](#)) to adopt Senate Rules, which was a standard, opening day procedural maneuver. As expected, the Resolution failed and members of the newly formed Senate Majority Coalition Caucus, consisting of 23 Republicans and 2 dissident Democrats, introduced their own resolution ([SR 8601](#)) to change Senate Rules allowing for the new majority to take control of the Senate. “Minority” Democrats were clearly displeased, but were more disappointed than angry, as they had over a month to become resigned to their new status. They certainly were not going to be rolled without a fight, yet they maintained decorum and engaged in a very civil debate.

When the dust settled, Senator Rodney Tom (D-Medina) was officially installed as the Senate Majority Coalition Caucus Leader and Senator Tim Sheldon (D-Potlatch) was officially installed as the Senate President Pro Tempore. The Coalition’s new Committee structure—complete with Committee Chairs and Vice Chairs, Ranking Minority Members and member assignments—was also adopted. As originally proposed in December, six legislative committees would have been Chaired by Republicans, six would have been Chaired by Democrats and another three committees would have been Co-Chaired by Democrats and Republicans. The Democratic Caucus officially rejected this offer, choosing instead to accept their minority status. Three individual members, however, agreed to accept Chairmanships: Senator Steve Hobbs (D-Lake Stevens) will Chair the Senate Financial Institutions & Insurance Committee; Senator Brian Hatfield (D-Raymond) will lead the Senate Agriculture & Water Committee; and Senator Tracey Eide (D-Federal Way) will be a Co-Chair of the Senate Transportation Committee.

Governor Gregoire Steps Out; Governor Inslee Steps In

On Tuesday, out-going Governor Gregoire presented her [final State of the State Address](#) to legislators assembled in a Joint Session. She walked through her eight years as governor, and recounted a series of accomplishments, along with a period of challenging times. She closed with a number of recommendations to ensure Washington remains strong into the future. Her major recommendations focused on K–12 education. She reminded legislators that the Supreme Court has said the state is failing to meet its paramount duty, noting that, “Our moral and legal responsibility is to give every child in Washington the chance for a good basic education.” She emphasized that to comply with *McCleary*, the next biennial budget will need at least a \$1.0 billion down payment. Without specifically using the words “revenue”

This Week in Olympia:
Week 1, January 14–18, 2013

continued

or “taxes,” Gregoire clearly indicated increased revenues are necessary. She firmly stated, “We cannot cut our way out of this. We cannot save our way out of this. We cannot grow our way out of this.” On her way out the door, Gregoire marked a clear path. Whether this Legislature chooses to follow her is yet to be determined.

On Wednesday, the pomp and circumstance of the new session continued as Washington’s statewide elected officials were sworn in. This included new Governor Jay Inslee taking the oath of office and presenting his Inaugural Address. Many in Olympia were anxious for this presentation, as it was Inslee’s first major opportunity to lay out his priorities for his administration and for this session. Unfortunately, the new governor steered clear from specifics. And even though K–12 education funding is clearly viewed by most in Olympia as the most pressing issue for the session, Inslee spent little time discussing it. When Inslee finally broached the subject, he said, “we need to meet the funding obligations set out by the *McCleary* decision,” but turned the focus from the state’s failure to fully fund basic education to the need for more “reform of our schools.” He stated, “we cannot continue to allow funding debates to mask deeper problems in our schools that demand innovation and reform.” He even stated that we cannot provide our children with a world-class education with a “blind allocation of money.” The comprehensive reform of our education funding system via HB 2261 and HB 2776 is far from a blind allocation of money. Clearly, we have work to do in terms of educating our new governor.

CALL TO ACTION

Educators have been haranguing the Legislature for years to step up to its responsibilities (both the moral imperative and the legal requirement) to “fully fund” K–12 education, Washington’s constitutional paramount duty. Finally, we have an “outside” voice standing with us. In January of last year, the Supreme Court *unanimously* agreed in its landmark *McCleary* decision that the State has consistently failed to meet its constitutional obligation to provide ample funding for K–12 education. The State urged the Court not to find the State in violation of the constitution, arguing that the Legislature had just adopted a sweeping education funding plan (ESHB 2261 and HB 2776) that would provide K–12 education with billions of dollars in enhanced funding when fully implemented by its self-imposed deadline of 2018. The State essentially asked the Court to be patient. The Court did find the State in violation of the constitution, but concurred the Legislature had adopted a “promising reform package...which if fully funded, will remedy deficiencies in the K–12 funding system.” The Court then deferred to the Legislature as to how they would comply with the paramount duty—while at the same time they chose the unique route of retaining jurisdiction over the case “to help facilitate progress in the State’s plan to fully implement the reforms by 2018.”

The *McCleary* ruling—and the Court’s decision to retain jurisdiction over the case—provides K–12 education with its best opportunity to make real, meaningful growth in recent memory. This is a once-in-a-lifetime opportunity that we absolutely cannot waste. The Court decision provides leverage that educators have never been able to apply; however, we cannot depend on *McCleary* alone. School administrators—and all members of the education community—must continue to keep legislators’ feet to the fire to ensure they remember their oath to uphold the constitution and meet their obligations.

That is where this Call to Action comes in. As mentioned earlier in this *TWIO*, there is a heavy debate about the level of funding needed to comply with *McCleary*. While we would love to see the full package that the State claimed HB 2261/HB 2776 would provide (upwards of an additional \$9.0 billion per year), that may not be very realistic. Besides the State’s testimony at trial, the high-watermark proposal so far is from the Joint Task Force on Education Funding, which would provide a \$4.5 billion biennial enhancement by 2018. Doing the simple math, using a straight linear approach, results in a \$1.7 billion down payment during this session. For budget-writers, this will still be a painful exercise, but it is doable. There may be a need

This Week in Olympia:
Week 1, January 14–18, 2013

continued

to negotiate below \$1.7 billion to reach the end game, but we should not undercut ourselves before that bargaining begins.

Legislators are already starting to develop numerous excuses to simply ignore *McCleary*. One is the belief that NO new funding needs to be provided to K–12 because a growing number of legislators believe the Court has breached separation of powers protocol and they have no authority over the Legislature. Another is the overall budget shortfall, along with the resistance to enhancing revenues. There is also the long laundry list of “other” priorities that legislators want to address (whether they be fiscal or policy related). We must simply not allow any of these excuses to work.

It is incumbent upon school administrators—and everyone in the education community—to maintain regular contact with your local legislators. Just in this first week of session, we have heard legislators say they have received more contacts regarding guns than K–12 education—and many more pleas for funding from social service advocates than educators. Please take the time touch base with each of your legislators, whether that contact be a personal visit, a formal letter, a short written note, a phone call or a quick e-mail. And once you make that contact, continue to *regularly* connect with them throughout the session. Even the busiest educator should be able to find five minutes a week to touch a legislator. Ask them to uphold their oath and stand up for basic education. Ask for a significant down payment of at least \$1.7 billion needed to comply with *McCleary*.

Finally, it would be helpful for your WASA staff if you would let us know who you’re contacting, when you’ve contacted them and how they are responding. We have a long, uphill battle. Together, we can make a difference!

AEA

By Mitch Denning

AEA began the session by testifying in support of Gov. Gregoire’s 2013–15 operating budget on Tuesday in House Appropriations. We told the committee that our highest priority for this session is the funding of a down-payment on the *McCleary* decision’s directive to amply fund basic education by 2018. This funding encompasses the four elements in HB 2776, including all-day kindergarten, K–3 class size reduction, pupil transportation and MSOC (Maintenance, Supplies, Operating Costs).

Steve Story, facilities director at Bethel School District, and WAMOA president, told the committee that the MSOC funds are helping support well-maintained buildings, which, in turn, provide a positive environment to improve student learning.

All three associations, WASBO, WSNA and WAMOA are preparing their meeting schedules for late January and early February, to meet individually with new legislators and other legislators who serve on the education and finance committees. We plan to share with them the need to begin to fund basic education in response to the Supreme Court’s January 2012 decision, as well as protect the current funding of child nutrition.

Pensions and Health Benefits

By John Kvamme

During this first week of the session efforts were begun in getting a few pension bills redrafted that were introduced last biennium. Signatures need to be obtained from a few legislators on each bill and then they will be introduced again this session. Two key pension bills from about a handful include the two month problem for those using the 30 year early retirement

This Week in Olympia:
Week 1, January 14–18, 2013

continued

provision and the other is the Plan 2 access to the PEBB when separating from service but not beginning to draw a retirement.

Both the House and the Senate have spent some time in their fiscal committees reviewing former Governor Gregoire's 2013 supplemental and 2013–14 proposed operating budget. Her budget moves the health benefit allocation from the present \$768 level to \$777 for 2013–14 and then \$788 for 2014–15. The remittance for retirees is \$66.22 beginning September 1, 2013 and then \$71.76 for 2014. The subsidy for Medicare eligible retirees stays at \$150 per month. Gregoire implements the pension contribution rates adopted by the Pension Funding Council within her proposed budget. Member rates beginning September 1, 2013 for TRS 2 & 3 employees rise to 5.14 percent and for SERS 2 & 3 employees to 4.82 percent. The employer rate for TRS 1, 2 & 3 is 10.39 percent, SERS 9.82 percent, and PERS 1 to 9.21 percent. Each of the rates includes a rise in the DRS administrative fee from .16 to .18 percent.

We met with a number of business officials from WASBO on January 11 to review ESSB 5940, the K–12 Health Benefits bill adopted last year. They did not complete the review or finish recommendations for clarification or modification of the adopted legislation. Efforts will be made to complete the review and then consider possible direction early this legislative session.

Next week we anticipate starting a Retirement and Health Benefits Bill Watch.

Legislative Resources

Committee Meeting Schedule

Legislative Committees Meetings are scheduled to be held at the following times but are subject to change.

Up-to-date meeting schedules and agendas are available on the [State Legislature website](#).

Mondays

1:30–3:25 p.m.
Senate Early Learning & K–12 Education
Senate Hearing Room 4

3:30–5:30 p.m.
House Appropriations
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Tuesdays

1:30–3:25 p.m.
House Education
House Hearing Room A

3:30–5:30 p.m.
House Appropriations
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Wednesdays

1:30–3:25 a.m.
Senate Early Learning & K–12 Education
Senate Hearing Room 4

3:30–5:30 p.m.
House Appropriations Subcommittee on Education
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Thursdays

8–9:55 a.m.
House Education
House Hearing Room A

3:30–5:30 p.m.
House Appropriations
House Hearing Room A

Senate Ways & Means
Senate Hearing Room 4

Fridays

8:00–9:25 a.m.
Senate Early Learning & K–12 Education
Senate Hearing Room 4

1:30–3:25 p.m.
House Education
House Hearing Room A

Useful Links

Washington State Government
<http://www.access.wa.gov>

State Legislature
<http://www.leg.wa.gov>

Senate
<http://www.leg.wa.gov/Senate>

House of Representatives
<http://www.leg.wa.gov/House>

Legislative Committees
<http://www.leg.wa.gov/legislature/pages/committeelisting.aspx>

Legislative Schedules
<http://www.leg.wa.gov/legislature/pages/calendar.aspx>

Office of the Governor
<http://www.governor.wa.gov>

OSPI
<http://www.k12.wa.us>

TWV
<http://www.tvw.org>

Session Cutoff Calendar

January 14, 2013
First Day of Session.

February 22, 2013
Last day to read in committee reports in house of origin, except House fiscal, Senate Ways & Means, and Transportation committees.

March 1, 2013
Last day to read in committee reports from House fiscal, Senate Ways & Means, and Transportation committees in house of origin.

March 13, 2013
Last day to consider bills in house of origin (5 p.m.).

April 3, 2013
Last day to read in committee reports from opposite house, except House fiscal, Senate Ways & Means, and Transportation committees.

April 9, 2013
Last day to read in opposite house committee reports from House fiscal, Senate Ways & Means, and Transportation committees.

April 17, 2013*
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).

April 28, 2013
Last day allowed for regular session under state constitution.

*After the 94th day, only initiatives, alternatives to initiatives, budgets and matters necessary to implement budgets, messages pertaining to amendments, differences between the houses, and matters incident to the interim and closing of the session may be considered.

Bill Watch

TWIO tracks critical education bills each week as they are introduced. Detailed bill information can be accessed by clicking on the bill number. The following is a list of the bills of highest interest to school administrators. A more comprehensive bill watch list is located on the [WASA website](#).

Bill #	Title	Status	Prime
HB 1015	State assessment requirements	H Education	McCoy
HB 1019	Public records requestors	H Govt Ops & Election	Haler
HB 1037	Public records cost recovery	H Govt Ops & Election	Moeller
HB 1050	Public facility naming	H Govt Ops & Election	Angel
HB 1054	Public school equipment	H Cap Budget	Angel
HB 1057	Operating budget 2013–2015	H Appropriations	Hunter
HB 1058	Operating sup budget 2013	H Appropriations	Hunter
HB 1067	Teacher evaluation program support	H Appropriations	Lytton
HB 1076	Innovation academy coops	H Education	Haigh
HB 1077	2nd-class school districts	H Education	Haigh
HB 1088	State gen. obligation bonds	H Cap Budget	Dunshee
HB 1089	Capital budget 2013–2015	H Cap Budget	Dunshee
HB 1122	Basic education/revenues	H Finance	Carlyle
HB 1128	Local agency public records	H Local Govt	Takko
HB 1134	State-tribal education compacts	H Comm Dev, Hous	McCoy
HB 1144	Educational interpreters	H Education	Dahlquist
HB 1173	Financial education partnership	H Education	Santos
HB 1174	Basic education funding	H Appropriations	Dahlquist
HJR 4201	Tax increase legislation	H Finance	Haler
HJR 4202	Balanced budget	H Appropriations	Haler
SB 5018	Public art purchases	S Ways & Means	Benton
SB 5026	Elem. student peer mentoring	S Higher Ed	Hasegawa
SB 5033	Operating sup budget 2013	S Ways & Means	Hill
SB 5034	Operating budget 2013–2015	S Ways & Means	Hill
SB 5035	Capital budget 2013–2015	S Ways & Means	Honeyford
SB 5036	State gen. obligation bonds	S Ways & Means	Honeyford
SB 5038	Teacher evaluation program support	S EL/K–12	McAuliffe
SB 5039	Basic education/revenues	S Ways & Means	McAuliffe
SJR 8203	Searches of students	S Law & Justice	Carrell