

Special Edition: Sine Die



About TWIO

This Week in Olympia (TWIO) is published by WASA in support of our members and members of our partners in WASBO, WSPA, and AEA.

This *Sine Die* Special Edition is the last TWIO of the 2022 Regular Session. TWIO's are archived on WASA's website at <https://wasa-oly.org/WASA/TWIO>.



Last night, just after 11:30 p.m., the Legislature adjourned its 2022 Regular Session, *Sine Die*. The final week of the session was frenetic, with multiple pieces of major legislation being negotiated and then moving through the final steps of the process towards final passage.

One of the last orders of business last night was to adopt the 2022 Supplemental Operating Budget ([SB 5693](#)). As expected, the budget was adopted on a party-line vote in both the House and the Senate, with all Majority Democrats supporting and all Minority Republicans opposing. The final budget significantly increases the underlying 2021–23 Operating Budget adopted last year. On top of the two-year \$59.1 billion budget, this Legislature added \$5.0 billion of new spending, raising biennial Operating Budget appropriations to \$64.1 billion. Technically, Policy Level spending increased by \$6.2 billion; however, when including the \$1.1 billion Maintenance Level reductions, there is a net increase of approximately \$5.0 billion. Major highlights of the 2022 Supplemental Operating Budget (including K–12's NET REDUCTION in funding) were reviewed in yesterday's [Special Budget Edition of TWIO](#).

The 2022 Supplemental Capital Budget ([SB 5651](#)) was moved earlier in the week. The House adopted the budget on Tuesday, followed by final approval in the Senate on Wednesday. Both bodies adopted the budget unanimously. The underlying 2021–23 Capital Construction Budget was a historic, record-setting \$6.3 billion spending package. Like the Supplemental Operating Budget, the increases adopted earlier this week made the 2022 Supplemental Capital Budget the largest second-year budget increase ever. New Capital spending amounted to \$1.5 billion, increasing the two-year budget's total spending to over \$7.8 billion. Major highlights of the 2022 Supplemental Capital Budget (including K–12's NET REDUCTION in funding) were reviewed in yesterday's [Special Budget Edition of TWIO](#).

With the 2022 Session complete, we will take some time, step back, and review the results of the session. We will provide a complete session overview in our End of Session Report, to be released later. We will provide some initial thoughts here:

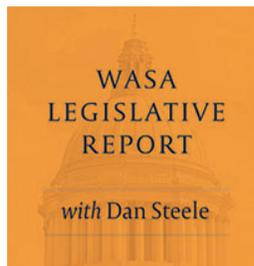
- ◇ We fought hard for a second round of **enrollment stabilization** funding and while it was tough sledding at times, we won out in the end. The fight started well-before session began and we took a shot to the gut when the governor's budget was released in December. His proposal acknowledged that education was set to lose upwards of \$900 million in Maintenance Level reductions, mainly due to continuing enrollment declines. Instead of allowing school districts to keep those funds, he chose to "reinvest" the funds, mostly for learning recovery (\$746.0 million) and enhanced staffing allocations (\$184.0 million). At least he suggested that lost K–12 funding

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be returned to K-12, unlike his 2021 proposal. Last session, his idea was to reinvest K-12's "savings" to "meet critical needs, while using the rest to help balance the budget."

Many legislators objected to providing more enrollment stabilization, arguing that enrollment declines were not a short-term, pandemic-related dip in enrollment, but a trend. Those legislators began to protest the funding of "ghost students"—which only reminded us that most legislators simply do not understand how schools are funded. These legislators were supported by the supposed 10,000-member strong [Conservative Ladies of Washington](#) (who understand school funding even less than legislators). They flooded Committee hearings, with hundreds of members signing in "Opposed"—to this and other education priorities. Luckily, we only had to contend with one or two of their members ever choosing to testify—providing 60-120 seconds of misinformation.

We argued that school district budgets were adopted relying on the state's Caseload Forecast Council's enrollment projections and, more importantly, the funding that legislators provided in the 2021-23 Operating Budget. When legislators argued that school districts simply needed to "reset" budgets and staffing, we tried to remind them that staff are locked in and due to contractual obligations we cannot just eliminate staff—which means, mid-year funding cuts require trimming or eliminating programs.

Fortunately, we had several legislative champions who were willing to go to bat for us. Ultimately, the 2022 Supplemental Operating Budget provides almost \$350.0 million for enrollment stabilization, providing support to 230 school districts that continue to have enrollment declines. Funding also supports Local Effort Assistance. This is extremely positive; however, this major investment (which is technically not an increase, but a protection of funding previously appropriated to school districts) is one-time funding—and is funded with federal Coronavirus State Fiscal Recovery Funds. This is an important foundational investment in 2022, but it will zero out in 2023-25.

- ◇ Since the Prototypical School Funding Model was first implemented in 2010—with a commitment from the Legislature to regularly review and update **staffing allocations**—we have been fighting for enhancements to ensure state-funded staffing meets reality. Legislators annually balked at their commitment, which prompted a citizen Initiative ([I-1351](#)) to force the Legislature's hand. I-1351 was overwhelmingly adopted in 2014. It included updated staffing allocations, along with a phase-in schedule, beginning in the 2015-17 biennium, with full funding by the 2017-19 biennium. Almost immediately, the 2015 Legislature adopted legislation to delay funding by four years—then repealed the citizen-adopted staffing ratios and implementation schedule in 2017, as a part of [HB 2242](#) (*McCleary* "solution").

In 2022, the stars seemed to align. The [School Funding Coalition](#) (the reconstituted Local Funding Workgroup), led by WASA and WASBO, representing seven statewide education associations, renewed our singular focus on advocating for enhancements to staffing allocations. In September, Superintendent Reykdal included phased-in [enhanced allocations for school nurses](#) as a part of his 2022 Decision Package. Shortly after, Governor Inslee took it a step further and included increased staffing levels for school nurses, social workers, counselors, and psychologists in his [2022 Supplemental Operating Budget Request](#). And just about every education association included the issue on their 2022 Legislative Platform—from PTA to WEA, and from PSE to Stand for Children.

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Unlike previous years, key legislators jumped on-board as well. They helped us shepherd two bills through the process and fought for funding behind-the-scenes. Ultimately, legislation was adopted and \$90.6 million is provided in the budget to increase staffing ratios and allocations for Physical, Social, and Emotional support staff as a part of the Prototypical School Funding Model. Staff within this new category are defined as: nurses, social workers, psychologists, counselors, classified staff providing student and staff safety, parent involvement coordinators, and other school district employees and contractors who provide physical, social, and emotional support to students, as defined by OSPI.

We were looking for enhanced allocations to be provided in Fiscal Year 2023 (2022–23 school year); however, in an effort to defer some of the costs into the future, the budget provides for a three-year phase in, from the 2022–23 school year to the 2024–25 school year.

We certainly knew the Legislature would never completely update the staffing ratios in the Prototypical School Funding Model in one year (even when the state had an \$11-15 billion budget “surplus”), but we have been waiting for this jump-start for almost ten years. We will be back in 2023—and beyond—continuing to engage in this fight until the entire Model is updated.

- ◇ Sometimes success in the legislative arena means preventing someone else from winning. This occurred with the demise of [SB 5155](#), regarding **prejudgment interest**. This was one of the many issues in which we engaged that is not a specific “education” issue. Passage of this bill, however, could have had potentially huge negative ramifications for K–12. Supporting (and requesting) the bill were the Trial Lawyers Association, one of the real powerbrokers in Olympia, who play a major role in elections—usually supporting Democrats, who hold the Majority in the House and Senate. They do not always get what they want, but it is usually not a good idea to bet against them.

SB 5155 moved rapidly through the Senate; however, before it passed off the Floor, we were able to get an amendment that exempted “public agencies” (including school districts) from the bill. This set-back frustrated and angered the Trial Lawyers and they dug in. The bill passed out of the House Civil Rights & Judiciary Committee and the House Appropriations Committee, both times with adopted amendments that were structured to appease us (or get around us); however, while the bill became “better,” it was still not a good policy. We were not in the fight to perfect the bill (unless that became our only option); our effort was to kill the bill. When the bill reached the House Rules Committee, our team drafted multiple amendments to slow the bill down if it reached the Floor and worked with key legislators to rally support for “No” votes, or support for amendments, as a last resort.

In the end, we were able to complicate and frustrate the conversation and the bill died on the House Floor Calendar, failing to move before the opposite house cut-off deadline. Defeating this bill was a major coalition-building team effort. Most of the education community (excepting the unions) joined together, along with the individual school district lobbyists, our Local Government Coalition partners, school district and local government risk pools, and business organizations in the Liability Reform Coalition. (Thank you to the many school administrators that jumped into the fight, sending texts or e-mails or making phone calls. Sometimes you can question if you have made an impact; however, it was clear your communications were helpful.)

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- ◇ We also had some success assisting positive legislation; however, we will just mention one bill here today: [HB 1699](#), regarding **retiree work in schools**. This is the bill that would temporarily (through July 1, 2025) increase the number of hours public retirees can work, from the current 867 hours to 1,040 hours per year, without negatively impacting pension benefits. The bill sailed through the House, passing with only three “No” votes. When it reached the Senate, it stalled, even though there was no clear, vocal opposition. After languishing, it was heard and adopted just before the opposite house fiscal committee cut-off. When it reached the Senate Rules Committee, however, the bill stalled again.

Again, associations and school districts supporting the bill were activated and pressed to get the bill out of Rules and onto the Floor. Last week, the bill failed to move out of the Senate by the opposite house cut-off and we thought the bill was lost. We kept a bit of hope alive because the bill was referenced in the House budget, but that was a stretch. In fact, as we continued to push the issue, we were told the bill was NOT “Necessary to Implement the Budget,” even if it was referenced in the budget.

In the last week, as *Sine Die* was rapidly approaching, House sponsors and supporters (along with a couple of key Senators) were poking Senate Leadership to move the bill. This prompted us to make a last-ditch effort to twist arms. (Another thank you to those of you who responded to our request to engage this week—on short notice—again sending texts/e-mails or making phone calls.)

Finally, the bill was relieved from the Senate Rules Committee yesterday and moved straight to the Senate Floor. The Senate introduced a striking amendment, which included a necessary technical change requested by the Department of Retirement Services. It was quickly adopted, 45-4, then sent back to the House for concurrence. Shortly after, the House concurred with the amendments, again with only three “No” votes. And the bill is off to the governor for his action.

HB 1699 is certainly not an earth-shattering policy, but it is a positive step that hopefully will prompt some experienced—but retired—educators to return to school districts that are struggling to find staff. This effort seemed hopeless, as we were told “NO” by Senate Leadership multiple times, but as you have heard us say many times, no bill is officially dead until the session ends. Sometimes [miracles do happen](#).

End of Session Report

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AEA

By Mitch Denning

The 67th Legislature is officially completed as *Sine Die* adjournment happened last night. In looking back over this session, it’s been a very good one for both our associations. As a point of personal privilege, I would like to thank the eight members of our AEA board who have served faithfully during this supplemental session. They are leaders in their associations, and they, along with a number of their members, have significantly impacted sound K–12 policies and budgets that are beneficial for our students.

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Chairing our board is Doug Vanderleest, director, maintenance and operations, Franklin Pierce SD, and WAMOA legislature chair. Other WAMOA members include Marina Tanay, manager, capital projects/facilities, Sumner/Bonney Lake SD, and WAMOA president; Travis Bown, director, maintenance, Mead SD, and WAMOA vice-president; and Paul Harris, assistant director, facilities, general support services, Tacoma SD, and WAMOA past president. WSNA members include Donna Parsons, WSNA public policy and legislative chair; Marcia Wagner, director, nutrition services, Grandview SD, and WSNA president; Magieline Benedicto, director, child nutrition, West Valley (Yakima) SD, and WSNA vice-president; and Alicia Neal, director, food and nutrition services, North Thurston PS. Thank you all!

Here is a brief description of our AEA priority bills and budget provisos that passed.

One, **ESSB 5693, 2022–23 Supplemental Operating Budget**, contains the following AEA priorities, (1) Student Support Staffing (\$90.6 million) implementing **2SHB 1664**; (2) Community Eligibility Provision (CEP) (\$21.6 million) implementing **SHB 1878**; (3) Plant-based school meals pilot program (\$150,000) implemented in **ESSB 5693**; (4) Local Food Procurement (\$3.7 million), federal funds for food assistance purchases; (5) Supply Chain Assistance (\$18.2 million), federal funds for supply chain assistance; (6) School District Pupil Transportation Allocations (\$13 million), excess cost reimbursement for special needs and homeless students, as a budget proviso; and (7) learning device grants (\$19,000), additional funding to implement **E2SHB 1365** (2021).

Two, **2SSB 5651, 2022–23 Supplemental Capital Budget**, contains the following AEA priorities, (1) Distressed Schools (\$30.42 million), including Almira Elementary School funding (\$12.9 million); Republic Jr/Sr High School (\$2.85 million); Wahkiakum SD (\$515,000); Nooksack Valley SD (\$2 million); John Muir Elementary School, Seattle PS (\$2.6 million); Oakville Elementary School, Centralia SD (\$750,000); (2) School Seismic Safety Retrofit Program (\$100 million) for districts to make improvements in qualifying school buildings in high seismic or tsunami hazard areas, and five schools with previously identified very high seismic risk, including (a) Pacific Beach Elementary School, North Beach SD; (b) South Bend Jr/Sr High School, South Bend SD; (c) Boisfort Elementary School, Boisfort SD; (d) Cosmopolis Elementary School, Cosmopolis SD, Totem Middle School, and Marysville SD; and (3) Small District and Tribal-Compact Schools Modernization Grant (\$7.6 million), including (a) Brewster SD; (b) Creston SD; and (c) Oroville SD.

AEA priority policy bills that passed include (1) **2SHB 1664, phased-in process of adequately funding the staffing allocations in social and emotional support roles** over the next three school years, which help all students learn more effectively; (2) **SSB 5933, school seismic safety grant program**, providing funding for school seismic safety retrofit programs in qualifying schools; (3) **HB 1833, online free/reduced price meal applications**, which will streamline the free/reduced meal application process, with parents able to use the computers or smart phones to submit the application; and (4) **SHB 1878, expansion of CEP**, a federal USDA program, which provides for reimbursement for schools and groups of schools required to participate in this program, but not eligible for the full federal