## SENATE BILL 5890

State of Washington 64th Legislature 2015 Regular Session

By Senators Rolfes, Hargrove, and Frockt

Read first time 02/09/15. Referred to Committee on Early Learning & K-12 Education.

- AN ACT Relating to an educational employee salary allocation schedule; amending RCW 28A.150.410, 28A.400.200, 28A.400.205, and 84.52.0531; reenacting and amending RCW 84.52.0531; adding a new section to chapter 28A.150 RCW; adding a new section to chapter 28A.300 RCW; creating a new section; providing an effective date; and providing expiration dates.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that Engrossed 9 Substitute House Bill No. 2261 (chapter 548, Laws of 2009) created a 10 compensation technical working group to, among other things, 11 recommend the details of an enhanced salary allocation model that 12 aligns with state expectations for educator development and 13 certification. The legislature further finds that the working group 14 issued its final report on June 30, 2012.
- (2) The legislature finds that research shows that a high quality 15 16 teacher is one of the most important school-related factors 17 influencing student achievement. The legislature further finds that the Washington supreme court in the McCleary decision found that the 18 state allocation for salaries fell short of the actual cost of 19 20 recruiting and retaining competent teachers.

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- 1 (3) The legislature intends to implement a plan to phase-in a modified version of the compensation working group recommendations 2 for a revised compensation system for certificated instructional 3 staff in order to attract and retain high quality educators to 4 Washington schools through full funding of competitive salaries with 5 6 state resources as required by the Washington state Constitution. The 7 legislature intends to complete the phase-in by the 2020-21 school 8 year.
- 9 **Sec. 2.** RCW 28A.150.410 and 2010 c 236 s 10 are each amended to 10 read as follows:

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- (1) The legislature shall establish for each school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only((, to be)) and used to distribute funds for basic education certificated instructional staff salaries under RCW 28A.150.260. For the purposes of this section, the staff allocations for classroom teachers, teacher librarians, guidance counselors, and student health services staff under RCW 28A.150.260 are considered allocations for certificated instructional staff.
- (2) Salary allocations for state-funded basic education certificated instructional staff shall be calculated by the superintendent of public instruction by determining the district's average salary for certificated instructional staff, using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act.
- (3) Beginning January 1, 1992, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:
  - (a) The employee has a master's degree; or
- 33 (b) The credits were used in generating state salary allocations 34 before January 1, 1992.
- 35 (4) For the 2015-16 school year through the 2020-21 school year, 36 a revised statewide salary allocation schedule as provided in section 37 3 of this act shall be phased-in for certificated instructional 38 staff.

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(5)(a) Beginning in the 2021-22 school year and thereafter, a beginning certificated instructional staff with an entry-level residency certificate may remain on a residency certificate for up to nine years at the same salary allocation, although there are different levels of salary allocations for residency certificate holders who have a bachelor's degree and those who have an advanced degree. Allocations based on an advanced degree must be only for those degrees that are relevant to current or future assignments as locally determined by the relevant school district.

- (b) For the school year immediately following a certificated instructional staff's attainment of a professional certificate, the salary allocated for that staff must increase to reflect the salaries for a professional or continuing certificate in the state salary allocation schedule. A minimum of three years of experience is required to make the progression from the residency certification to the professional certification and the corresponding step on the salary allocation model.
- (c) For certificated instructional staff with a professional or continuing certificate, there are different levels of salary allocations for those who have a bachelor's degree and those who have an advanced degree. Allocations based on an advanced degree must be only for those degrees that are relevant to current or future assignments as locally determined by the relevant school district.
- (d) After nine years of experience, inclusive of the years with an initial or residency certificate, an additional salary increase must be allocated for a certificated instructional staff member who has achieved and retained the professional or continuing certificate.
- (e) In the 2021-22 school year, the state minimum salary allocation shall be as follows and be annually adjusted for the cost-of-living increase under RCW 28A.400.205:

31	<u>Service</u>	<u>BA -</u>	<u>BA -</u>	MA+-	<u>MA+ -</u>
32		<u>Initial/</u>	<u>Prof. /</u>	<u>Initial /</u>	<u>Prof. /</u>
33		Residency	Cont.	Residency	Cont.
34	<u>0</u>	\$48,000	<u>\$N/A</u>	\$52,800	<u>\$N/A</u>
35	<u>1</u>	<u>48,000</u>	N/A	<u>52,800</u>	N/A
36	<u>2</u>	<u>48,000</u>	N/A	<u>52,800</u>	N/A
37	<u>3</u>	<u>48,000</u>	N/A	<u>52,800</u>	N/A
38	<u>4</u>	<u>48,000</u>	<u>58,000</u>	<u>52,800</u>	<u>62,800</u>

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1	<u>5</u>	<u>48,000</u>	<u>58,000</u>	<u>52,800</u>	<u>62,800</u>
2	<u>6</u>	<u>48,000</u>	<u>58,000</u>	<u>52,800</u>	<u>62,800</u>
3	<u>7</u>	<u>48,000</u>	<u>58,000</u>	<u>52,800</u>	<u>62,800</u>
4	<u>8</u>	<u>48,000</u>	<u>58,000</u>	52,800	<u>62,800</u>
5	9	<u>48,000</u>	<u>58,000</u>	<u>52,800</u>	<u>62,800</u>
6	<u>10+</u>	<u>N/A</u>	<u>70,000</u>	<u>52,800</u>	<u>77,000</u>

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- (6) Beginning in the 2021-22 school year and thereafter, the state salary allocation schedule shall be specified in the omnibus appropriations act and be based on the 2020-21 salary allocation schedule framework annually adjusted for the cost-of-living increase under RCW 28A.400.205.
- 12 <u>(7) The office of the superintendent of public instruction and</u>
  13 <u>the professional educator standards board shall make rules to</u>
  14 implement this section.
  - (8) Beginning in the 2007-08 school year, the calculation of years of service for occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 include experience in schools and other nonschool positions speech-language occupational therapists, physical therapists, pathologists, audiologists, nurses, social workers, counselors, or psychologists. The calculation shall be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two years of nonschool service. Nonschool years of service included in calculations under this subsection shall not be applied to service credit totals for purposes of retirement benefit under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement system benefits.
- NEW SECTION. Sec. 3. A new section is added to chapter 28A.150 RCW to read as follows:
- 31 (1)(a) In the 2015-16 school year, except as provided in 32 subsection (2) of this section, the minimum state salary allocation 33 shall be as follows:
- 34 Service BA + 0BA + 15BA + 30BA + 45BA + 90BA + 135MA MA + 45PhD 35 0 \$38.000 \$38,000 \$38,000 \$38,000 \$41,000 \$43,000 \$47,000 \$47,000 \$47,000

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1	1	38,000	38,000	38,000	38,000	41,000	43,000	47,000	47,000	47,000
2	2	38,000	38,000	38,000	38,000	41,259	43,275	47,000	47,000	47,000
3	3	38,000	38,000	38,000	38,437	41,518	43,549	47,000	47,000	47,724
4	4	38,000	45,600	38,000	38,964	42,064	44,110	47,000	47,000	48,447
5	5	38,000	45,600	38,385	39,498	42,586	44,673	47,000	47,000	49,171
6	6	38,000	45,600	38,769	40,039	43,113	45,211	47,000	47,000	49,894
7	7	38,000	45,600	39,621	40,960	44,079	46,235	47,000	48,159	50,618
8	8	38,787	45,600	40,905	42,355	45,516	47,751	47,000	49,318	51,341
9	9	38,787	45,600	42,262	43,765	46,999	49,310	47,241	50,477	52,788
10	10	38,787	45,600	43,635	45,247	48,524	50,913	50,249	52,003	54,390
11	11	38,787	45,600	43,635	46,772	50,121	52,557	51,835	53,599	56,034
12	12	38,787	45,600	43,635	48,249	51,761	54,269	53,476	55,238	57,748
13	13	38,787	45,600	43,635	48,249	53,440	56,024	55,165	56,918	59,501
14	14	38,787	45,600	43,635	48,249	55,128	57,844	68,750	58,716	61,322
15	15	38,787	45,600	43,635	48,249	62,500	62,500	68,750	68,750	68,750
16	16+	38,787	45,600	43,635	48,249	62,500	62,500	68,750	68,750	68,750

17 (b) In the 2016-17 school year, except as provided in subsection 18 (2) of this section, the minimum state salary allocation shall be as 19 follows:

20	Service	BA + 0	BA + 15	BA + 30	BA + 45	BA + 90	BA + 135	MA	MA + 45	PhD
21	0	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$44,000	\$48,500	\$48,500	\$48,500
22	1	42,000	42,000	42,000	42,000	42,000	44,000	48,500	48,500	48,500
23	2	42,000	42,000	42,000	42,000	42,000	44,000	48,500	48,500	48,500
24	3	42,000	42,000	42,000	42,000	42,000	44,000	48,500	48,500	48,500
25	4	42,000	42,000	42,000	42,000	42,064	44,110	48,500	48,500	48,500
26	5	42,000	42,000	42,000	42,000	42,586	44,673	48,500	48,500	48,500
27	6	42,000	42,000	42,000	42,000	43,113	45,211	48,500	48,500	49,678
28	7	42,000	42,000	42,000	42,000	44,079	46,235	48,500	48,500	50,856
29	8	42,000	42,000	42,000	42,355	45,516	47,751	48,500	49,667	52,034
30	9	42,000	42,135	42,262	43,765	46,999	49,310	48,500	50,834	53,212
31	10	42,000	42,135	43,635	45,247	48,524	50,913	48,724	52,003	54,390
32	11	42,000	42,135	43,635	46,772	50,121	52,557	50,249	53,599	56,034

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1	12	42,000	42,135	43,635	48,249	51,761	54,269	51,835	55,238	57,748
2	13	42,000	42,135	43,635	48,249	53,440	56,024	53,476	56,918	59,501
3	14	42,000	42,135	43,635	48,249	64,000	64,000	70,400	70,400	70,400
4	15	42,000	42,135	43,635	48,249	64,000	64,000	70,400	70,400	70,400
5	16+	42.000	42.135	43,635	48.249	64.000	64.000	70,400	70,400	70,400

6 (c) In the 2017-18 school year, except as provided in subsection 7 (2) of this section, the minimum state salary allocation shall be as 8 follows:

9	Service	BA + 0	BA + 15	BA + 30	BA + 45	BA + 90	BA + 135	MA	MA + 45	PhD
10	0	\$44,000	\$44,000	\$44,000	\$44,000	\$44,000	\$46,000	\$50,000	\$50,000	\$50,000
11	1	44,000	44,000	44,000	44,000	44,000	46,000	50,000	50,000	50,000
12	2	44,000	44,000	44,000	44,000	44,000	46,000	50,000	50,000	50,000
13	3	44,000	44,000	44,000	44,000	44,000	46,000	50,000	50,000	50,000
14	4	44,000	44,000	44,000	44,000	44,000	46,000	50,000	50,000	50,000
15	5	44,000	44,000	44,000	44,000	44,000	46,000	50,000	50,000	50,000
16	6	44,000	44,000	44,000	44,000	44,000	46,000	50,000	50,000	50,000
17	7	44,000	44,000	44,000	44,000	44,079	46,325	50,000	50,000	50,856
18	8	44,000	44,000	44,000	44,000	45,516	47,751	50,000	50,000	52,034
19	9	44,000	44,000	44,000	44,000	46,999	49,310	50,000	50,834	53,212
20	10	44,000	44,000	44,000	45,247	48,524	50,913	50,125	52,003	54,390
21	11	44,000	44,000	44,000	46,772	50,121	52,557	50,249	53,599	56,034
22	12	44,000	44,000	44,000	48,249	51,761	54,269	51,835	55,238	57,748
23	13	44,000	44,000	44,000	48,249	65,500	65,500	72,050	72,050	72,050
24	14	44,000	44,000	44,000	48,249	65,500	65,500	72,050	72,050	72,050
25	15	44,000	44,000	44,000	48,249	65,500	65,500	72,050	72,050	72,050
26	16+	44,000	44,000	44,000	48,249	65,500	65,500	72,050	72,050	72,050

27 (d) In the 2018-19 school year, except as provided in subsection 28 (2) of this section, the minimum state salary allocation shall be as 29 follows:

30 Service BA + 0BA + 15BA + 30BA + 45BA + 90BA + 135MA MA + 45PhD 31 0 \$48,000 \$48,000 \$48,000 \$48,000 \$48,000 \$48,000 \$52,800 \$52,800 \$52,800

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1	1	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
2	2	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
3	3	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
4	4	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
5	5	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
6	6	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
7	7	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
8	8	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
9	9	48,000	48,000	48,000	48,000	48,000	49,310	52,800	52,800	53,212
10	10	48,000	48,000	48,000	48,000	48,524	50,913	52,800	52,800	54,390
11	11	48,000	48,000	48,000	48,000	50,121	52,557	52,800	53,599	56,034
12	12	48,000	48,000	48,000	67,000	67,000	67,000	73,700	73,700	73,700
13	13	48,000	48,000	48,000	67,000	67,000	67,000	73,700	73,700	73,700
14	14	48,000	48,000	48,000	67,000	67,000	67,000	73,700	73,700	73,700
15	15	48,000	48,000	48,000	67,000	67,000	67,000	73,700	73,700	73,700
16	16+	48,000	48,000	48,000	67,000	67,000	67,000	73,700	73,700	73,700

(e) In the 2019-20 school year, except as provided in subsection (2) of this section, the minimum state salary allocation shall be as follows:

20	Service	BA + 0	BA + 15	BA + 30	BA + 45	BA + 90	BA + 135	MA	MA + 45	PhD
21	0	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$52,800	\$52,800	\$52,800
22	1	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
23	2	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
24	3	48,000	48,000	48,000	48,000	48,000	48,000	52,800	52,800	52,800
25	4	48,000	48,000	48,000	48,000	48,000	48,367	52,800	52,800	52,800
26	5	48,000	48,000	48,000	48,000	48,000	48,984	52,800	52,800	52,913
27	6	48,000	48,000	48,000	48,000	48,000	49,574	52,800	52,800	53,425
28	7	48,000	48,000	48,000	48,000	48,333	50,697	52,800	52,800	54,511
29	8	48,000	48,000	48,000	48,000	49,909	52,359	52,800	53,722	56,172
30	9	48,000	48,000	48,000	48,000	51,535	54,069	52,800	55,349	57,883
31	10	48,000	48,000	48,000	49,614	53,207	55,826	55,826	57,021	59,693
32	11	48,000	48,000	48,000	68,500	68,500	68,500	75,350	75,350	75,350

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1	12	48,000	48,000	48,000	68,500	68,500	68,500	75,350	75,350	75,350
2	13	48,000	48,000	48,000	68,500	68,500	68,500	75,350	75,350	75,350
3	14	48,000	48,000	48,000	68,500	68,500	68,500	75,350	75,350	75,350
4	15	48,000	48,000	48,000	68,500	68,500	68,500	75,350	75,350	75,350
5	16+	48,000	48,000	48,000	68,500	68,500	68,500	75,350	75,350	75,350

6 (f) In the 2020-21 school year, except as provided in subsection 7 (2) of this section, the minimum state salary allocation shall be as 8 follows:

9	Service	BA + 0	BA + 15	BA + 30	BA + 45	BA + 90	BA + 135	MA	MA + 45	PhD
10	0	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$49,298	\$52,800	\$52,800	\$53,941
11	1	48,000	48,000	48,000	48,000	48,000	49,941	52,800	52,800	54,496
12	2	48,000	48,000	48,000	48,000	48,249	50,581	52,800	52,800	55,049
13	3	48,000	48,000	48,000	48,000	48,834	51,223	52,800	53,216	55,606
14	4	48,000	48,000	48,000	48,000	58,000	58,000	52,800	53,774	56,181
15	5	48,000	48,000	48,000	48,000	58,000	58,000	62,800	62,800	62,800
16	6	48,000	48,000	48,000	48,000	58,000	58,000	62,800	62,800	62,800
17	7	48,000	48,000	48,000	48,178	58,000	58,000	62,800	62,800	62,800
18	8	48,000	48,000	48,112	49,818	58,000	58,000	62,800	62,800	62,800
19	9	48,000	48,000	49,709	51,476	58,000	58,000	62,800	62,800	62,800
20	10	48,000	48,000	70,000	70,000	70,000	70,000	77,000	77,000	77,000
21	11	48,000	48,000	70,000	70,000	70,000	70,000	77,000	77,000	77,000
22	12	48,000	48,000	70,000	70,000	70,000	70,000	77,000	77,000	77,000
23	13	48,000	48,000	70,000	70,000	70,000	70,000	77,000	77,000	77,000
24	14	48,000	48,000	70,000	70,000	70,000	70,000	77,000	77,000	77,000
25	15	48,000	48,000	70,000	70,000	70,000	70,000	77,000	77,000	77,000
26	16+	48,000	48,000	70,000	70,000	70,000	71,202	77,000	77,000	77,000

(2) As the revised statewide salary allocation schedule in this section is phased-in beginning in the 2015-16 school year through the 2020-21 school year, if the salary allocation schedule in effect for the 2014-15 school year would provide a salary allocation for an individual certificated instructional staff greater than the salary allocation schedule for the specified year in subsection (1) of this section, then the allocation for the certificated instructional staff

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- 1 must be the allocation from the 2014-15 school year salary allocation
- 2 schedule. Beginning with the 2015-16 school year through the 2020-21
- 3 school year, if an individual certificated instructional staff does
- 4 not receive a salary increase under the revised state salary
- 5 allocation schedules in this section, then the certificated
- 6 instructional staff shall receive a cost-of-living adjustment in
- 7 accordance with RCW 28A.400.205.

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- 8 (3) This section expires September 1, 2022.
- 9 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 28A.300 10 RCW to read as follows:
  - (1) The legislature intends to ensure that K-12 salary allocations keep pace with the wages of comparable occupations by requiring a comparable wage analysis be conducted every four years.
- (2) By July 1, 2018, and every four years thereafter, the 14 15 superintendent of public instruction shall conduct or contract for a 16 labor market analysis of the salaries and comparative 17 compensation for school district employees. The first analysis, including any recommendations for salary adjustments based on the 18 19 analysis, must be submitted to the governor and the legislature by 20 July 1, 2019. Subsequent reports shall be submitted by July 1st every 21 four years thereafter.
- 22 **Sec. 5.** RCW 28A.400.200 and 2010 c 235 s 401 are each amended to 23 read as follows:
  - (1) The legislature finds that the state is responsible for fully funding salaries of staff performing basic education activities. The legislature further finds that the compensation technical working group created in chapter 548, Laws of 2009 in its June 30, 2012, final report affirmed that average comparable wages are sufficient to recruit and retain high quality staff. However, the legislature further finds that the compensation technical working group recommended that districts be allowed to provide locally funded salary enhancements for nonbasic education functions. The legislature intends to implement the recommendation of the working group and authorize school districts to use local funds to provide salary enhancements for nonbasic education functions. The legislature further intends to ensure equity around the state by limiting the locally funded enhancements to ten percent above the state allocation

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to the district once the state is fully funding basic education salaries at comparable wages.

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- (2) Every school district board of directors shall fix, alter, allow, and order paid salaries and compensation for all district employees in conformance with this section.
- $((\frac{(2)}{2}))$   $\underline{(3)}(a)$  Salaries for certificated instructional staff shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a baccalaureate degree and zero years of service; and
- (b) Salaries for certificated instructional staff with a master's degree shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a master's degree and zero years of service.
- (((3)(a) The actual average salary paid to certificated instructional staff shall not exceed the district's average certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to RCW 28A.150.410.
- <del>(b)</del>)) (4) Fringe benefit contributions for certificated instructional staff shall be included as salary ((under (a) of this subsection)) only to the extent that the district's actual average benefit contribution exceeds the amount of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time compensation is payable. For purposes of this section, fringe benefits shall not include payment for unused leave for illness or injury under RCW 28A.400.210; employer contributions for old age survivors insurance, workers' compensation, unemployment compensation, and retirement benefits under the Washington state retirement system; or employer contributions for health benefits in excess of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. A school district may not use state funds to provide employer contributions for such excess health benefits.
- ((\(\frac{(c)}{c}\))) (5)(a) Except as provided in (b) of this subsection, school districts are authorized to use local funds for salaries of certificated instructional staff up to but not exceeding ten percent of the state allocation to the district. The use of the local funds

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- will be defined at the school district level and will provide for locally funded salary enhancements for nonbasic education functions.
- (b) As the state phases-in a new state salary allocation schedule in section 3 of this act, for the school years 2015-16 through 2020-21, school districts are authorized to provide ten percent of the amount that the school district would receive under the 2021-22 school year state salary allocation schedule contained in RCW 28A.150.410.
- 9 <u>(c) The use of local funds for salary enhancements under this</u>
  10 section:
- 11 <u>(i) Shall not cause the state to incur any present or future</u> 12 <u>funding obligation; and</u>

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- (ii) Is subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and, if not renewed, shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380.
- (d) No district may use local funds under the authorization of this subsection (5) for the provision of services that are a part of the basic education program required by Article IX, section 3 of the state Constitution.
- (6) Salary and benefits for certificated instructional staff in programs other than basic education shall be consistent with the salary and benefits paid to certificated instructional staff in the basic education program.
- ((<del>4)</del> Salaries and benefits for certificated instructional staff may exceed the limitations in subsection (3) of this section only by separate contract for additional time, for additional responsibilities, for incentives, or for implementing specific measurable innovative activities, including professional development, specified by the school district to: (a) Close one or more achievement gaps, (b) focus on development of science, technology, engineering, and mathematics (STEM) learning opportunities, or (c) provide arts education. Beginning September 1, 2011, school districts shall annually provide a brief description of the innovative activities included in any supplemental contract to the office of the superintendent of public instruction. The office of the superintendent of public instruction shall summarize the district information and submit an annual report to the education committees of the house of representatives and the senate. Supplemental contracts shall not cause the state to incur any present or future

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- funding obligation. Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380. No district may enter into a supplemental contract under this subsection for the provision of services which are a part of the basic education program required by Article IX, section 3 of the state Constitution.
- $\frac{(5)}{(7)}$  Employee benefit plans offered by any district shall comply with RCW 28A.400.350  $(\frac{(and)}{2})_{\perp}$  28A.400.275, and 28A.400.280.
- **Sec. 6.** RCW 28A.400.205 and 2013 2nd sp.s. c 5 s 1 are each 12 amended to read as follows:

- (1) Except as provided in subsection (3) of this section, school district employees shall be provided an annual salary cost-of-living increase in accordance with this section.
- (a) The cost-of-living increase shall be calculated by applying the rate of the yearly increase in the cost-of-living index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the 2001-02 school year, and for each subsequent school year, except for the 2013-14 and 2014-15 school years, each school district shall be provided a cost-of-living allocation sufficient to grant this cost-of-living increase, except as provided in subsection (3) of this section.
- (b) A school district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.
- (c) Any funded cost-of-living increase shall be included in the salary base used to determine cost-of-living increases for school employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual cost-of-living increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation schedule established under RCW 28A.150.410 and to any other salary models used to recognize school district personnel costs.

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(2) For the purposes of this section, "cost-of-living index" means, for any school year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

- 11 (3) As the state phases-in a revised statewide salary allocation
  12 schedule, beginning in the 2015-16 school year and through the
  13 2020-21 school year certificated instructional staff for whom the
  14 allocation provided by the state is in accordance with section 3(2)
  15 of this act shall be the only certificated instructional staff who
  16 are eligible to receive a cost-of-living increase under this section.
- **Sec. 7.** RCW 84.52.0531 and 2013 c 242 s 8 are each amended to 18 read as follows:
  - The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of RCW 84.52.053 shall be determined as follows:
  - (1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and rules in effect in November 1996.
  - (2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b), (c), and (d) of this subsection minus (e) of this subsection:
- 29 (a) The district's levy base as defined in subsections (3) and 30 (4) of this section multiplied by the district's maximum levy 31 percentage as defined in subsection (7) of this section;
  - (b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;
- 38 (c) Except for nonhigh districts under (d) of this subsection, 39 for districts in an interdistrict cooperative agreement, the

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- nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:
  - (i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:
- 8 (ii) The serving district's maximum levy percentage determined 9 under subsection (7) of this section; increased by:
  - (iii) The percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty-five percent;
  - (d) The levy bases of nonhigh districts participating in an innovation academy cooperative established under RCW 28A.340.080 shall be adjusted by the office of the superintendent of public instruction to reflect each district's proportional share of student enrollment in the cooperative;
  - (e) The district's maximum levy amount shall be reduced by the maximum amount of state matching funds for which the district is eligible under RCW 28A.500.010.
    - (3) For excess levies for collection in calendar year 2005 and thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year and the amounts determined under subsection (4) of this section, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.
  - (a) The district's basic education allocation as determined pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;
- 36 (b) State and federal categorical allocations for the following 37 programs:
  - (i) Pupil transportation;

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- (ii) Special education;
- (iii) Education of highly capable students;

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- 1 (iv) Compensatory education, including but not limited to 2 learning assistance, migrant education, Indian education, refugee 3 programs, and bilingual education;
  - (v) Food services; and

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- (vi) Statewide block grant programs; and
- 6 (c) Any other federal allocations for elementary and secondary 7 school programs, including direct grants, other than federal impact 8 aid funds and allocations in lieu of taxes.
  - (4) For levy collections in calendar years 2005 through 2017, in addition to the allocations included under subsection (3)(a) through (c) of this section, a district's levy base shall also include the following:
    - (a)(i) For levy collections in calendar year 2010, the difference between the allocation the district would have received in the current school year had RCW 84.52.068 not been amended by chapter 19, Laws of 2003 1st sp. sess. and the allocation the district received in the current school year pursuant to RCW 28A.505.220;
    - (ii) For levy collections in calendar years 2011 through 2017, the allocation rate the district would have received in the prior school year using the Initiative 728 rate multiplied by the full-time equivalent student enrollment used to calculate the Initiative 728 allocation for the prior school year; and
    - (b) The difference between the allocations the district would have received the prior school year using the Initiative 732 base and the allocations the district actually received the prior school year pursuant to RCW 28A.400.205.
    - (5) For levy collections in calendar years 2011 through 2017, in addition to the allocations included under subsections (3)(a) through (c) and (4)(a) and (b) of this section, a district's levy base shall also include the difference between an allocation of fifty-three and two-tenths certificated instructional staff units per thousand fulltime equivalent students in grades kindergarten through four enrolled in the prior school year and the allocation of certificated instructional staff units per thousand full-time equivalent students in grades kindergarten through four that the district actually received in the prior school year, except that the levy base for a school district whose allocation in the 2009-10 school year was less than fifty-three and two-tenths certificated instructional staff per thousand full-time equivalent students kindergarten through four shall include the difference between the

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- allocation the district actually received in the 2009-10 school year and the allocation the district actually received in the prior school year.
- (6) For levy collections beginning in calendar year 2014 and 4 thereafter, in addition to the allocations included under subsections 5 6 (3)(a) through (c), (4)(a) and (b), and (5) of this section, a district's levy base shall also include the funds allocated by the 7 superintendent of public instruction under RCW 28A.715.040 to a 8 school that is the subject of a state-tribal education compact and 9 that formerly contracted with the school district to provide 10 11 educational services through an interlocal agreement and received 12 funding from the district.
- 13 (7)(a) A district's maximum levy percentage shall be twenty-four 14 percent in 2010 and twenty-eight percent in 2011 through 2017 and 15 twenty-four percent every year thereafter;
- 16 (b) For qualifying districts, in addition to the percentage in 17 (a) of this subsection the grandfathered percentage determined as 18 follows:
- 19 (i) For 1997, the difference between the district's 1993 maximum 20 levy percentage and twenty percent; and

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- (ii) For 2011 through 2017, the percentage calculated as follows:
- (A) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;
  - (B) Reduce the result of (b)(ii)(A) of this subsection by any levy reduction funds as defined in subsection (8) of this section that are to be allocated to the district for the current school year;
- 28 (C) Divide the result of (b)(ii)(B) of this subsection by the 29 district's levy base; and
- 30 (D) Take the greater of zero or the percentage calculated in 31 (b)(ii)(C) of this subsection.
- 32 (8)(a) "Levy reduction funds" shall mean increases in state funds from the prior school year for programs included under subsections 33 (3) and (4) of this section:  $((\frac{a}{a}))$  (i) That are not attributable to 34 35 enrollment changes, compensation increases, or inflationary 36 adjustments; and  $((\frac{b}{b}))$  (ii) that are or were specifically identified as levy reduction funds in the appropriations act. If levy 37 reduction funds are dependent on formula factors which would not be 38 39 finalized until after the start of the current school year, the 40 superintendent of public instruction shall estimate the total amount

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1 of levy reduction funds by using prior school year data in place of current school year data. Levy reduction funds shall not include moneys received by school districts from cities or counties. 3

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- (b) Beginning with the 2015-16 school year through the 2018-19 school year, the increased salary allocations under the revised salary allocation schedules in section 3 of this act shall be deemed levy reduction funds for those school districts that have been grandfathered at a greater levy authority than the maximum levy percentage provided in subsection (7)(a) of this section.
- (9) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
  - "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.
- (b) "Current school year" means the year immediately following 14 15 the prior school year.
  - (c) "Initiative 728 rate" means the allocation rate at which the student achievement program would have been funded under chapter 3, Laws of 2001, if all annual adjustments to the initial allocation rate had been made in previous years and in each subsequent year as provided for under chapter 3, Laws of 2001.
  - (d) "Initiative 732 base" means the prior year's state allocation for annual salary cost-of-living increases for district employees in the state-funded salary base as it would have been calculated under chapter 4, Laws of 2001, if each annual cost-of-living increase allocation had been provided in previous years and in each subsequent year.
  - (10) Funds collected from transportation vehicle fund tax levies shall not be subject to the levy limitations in this section.
- 29 (11) The superintendent of public instruction shall develop rules and inform school districts of the pertinent data necessary to carry 30 31 out the provisions of this section.
- (12) For calendar year 2009, the office of the superintendent of 32 public instruction shall recalculate school district levy authority 33 to reflect levy rates certified by school districts for calendar year 34 35 2009.
- Sec. 8. RCW 84.52.0531 and 2010 c 237 s 2 and 2010 c 99 s 11 are 36 each reenacted and amended to read as follows: 37

p. 17 SB 5890 The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of RCW 84.52.053 shall be determined as follows:

- (1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and rules in effect in November 1996.
- (2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b), (c), and (d) of this subsection minus (e) of this subsection:
- (a) The district's levy base as defined in subsection (3) of this section multiplied by the district's maximum levy percentage as defined in subsection (4) of this section;
- (b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;
- (c) Except for nonhigh districts under (d) of this subsection, for districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:
- (i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:
- (ii) The serving district's maximum levy percentage determined under subsection (4) of this section; increased by:
- (iii) The percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty-five percent;
- (d) The levy bases of nonhigh districts participating in an innovation academy cooperative established under RCW 28A.340.080 shall be adjusted by the office of the superintendent of public instruction to reflect each district's proportional share of student enrollment in the cooperative;

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- 1 (e) The district's maximum levy amount shall be reduced by the 2 maximum amount of state matching funds for which the district is 3 eligible under RCW 28A.500.010.
- (3) For excess levies for collection in calendar year 1998 and 4 thereafter, a district's levy base shall be the sum of allocations in 5 6 (a) through (c) of this subsection received by the district for the 7 prior school year, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase 8 per full time equivalent student as stated in the state basic 9 education appropriation section of the biennial budget between the 10 11 prior school year and the current school year and divided by fiftyfive percent. A district's levy base shall not include local school 12 district property tax levies or other local revenues, or state and 13 14 federal allocations not identified in (a) through (c) of this subsection. 15
- 16 (a) The district's basic education allocation as determined 17 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;
  - (b) State and federal categorical allocations for the following programs:
    - (i) Pupil transportation;
- 21 (ii) Special education;

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- (iii) Education of highly capable students;
- (iv) Compensatory education, including but not limited to learning assistance, migrant education, Indian education, refugee programs, and bilingual education;
  - (v) Food services; and
- 27 (vi) Statewide block grant programs; and
- (c) Any other federal allocations for elementary and secondary school programs, including direct grants, other than federal impact aid funds and allocations in lieu of taxes.
- 31 (4)(a) A district's maximum levy percentage shall be twenty-four 32 percent in 2010 and twenty-eight percent in 2011 through 2017 and 33 twenty-four percent every year thereafter;
- 34 (b) For qualifying districts, in addition to the percentage in 35 (a) of this subsection the grandfathered percentage determined as 36 follows:
- (i) For 1997, the difference between the district's 1993 maximum levy percentage and twenty percent; ((and))
- 39 (ii) For 2011 through 2017, the percentage calculated as follows:

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1 (A) Multiply the grandfathered percentage for the prior year 2 times the district's levy base determined under subsection (3) of 3 this section;

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- (B) Reduce the result of (b)(ii)(A) of this subsection by any levy reduction funds as defined in subsection (5) of this section that are to be allocated to the district for the current school year;
- 7 (C) Divide the result of (b)(ii)(B) of this subsection by the 8 district's levy base; and
- 9 (D) Take the greater of zero or the percentage calculated in 10 (b)(ii)(C) of this subsection;
- 11 (iii) For 2018 and thereafter, the percentage shall be calculated 12 as follows:
- 13 (A) Multiply the grandfathered percentage for the prior year 14 times the district's levy base determined under subsection (3) of 15 this section;
- 16 (B) Reduce the result of (b)(iii)(A) of this subsection by any 17 levy reduction funds as defined in subsection (5) of this section 18 that are to be allocated to the district for the current school year;
  - (C) Divide the result of (b)(iii)(B) of this subsection by the district's levy base; and
- 21 (D) Take the greater of zero or the percentage calculated in 22 (b)(iii)(C) of this subsection.
  - (5)(a) "Levy reduction funds" shall mean increases in state funds from the prior school year for programs included under subsection (3) of this section: (((a))) (i) That are not attributable to enrollment changes, compensation increases, or inflationary adjustments; and (((b))) (ii) that are or were specifically identified as levy reduction funds in the appropriations act. If levy reduction funds are dependent on formula factors which would not be finalized until after the start of the current school year, the superintendent of public instruction shall estimate the total amount of levy reduction funds by using prior school year data in place of current school year data. Levy reduction funds shall not include moneys received by school districts from cities or counties.
  - (b) The increased salary allocations under the revised salary allocation schedule in RCW 28A.150.410 for the 2018-19 school year through the 2020-21 school year shall be deemed levy reduction funds for those school districts that have been grandfathered at a greater levy authority than the maximum levy percentage provided in subsection (4)(a) of this section.

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1 (6) For the purposes of this section, "prior school year" means 2 the most recent school year completed prior to the year in which the 3 levies are to be collected.

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- (7) For the purposes of this section, "current school year" means the year immediately following the prior school year.
- 6 (8) Funds collected from transportation vehicle fund tax levies 7 shall not be subject to the levy limitations in this section.
- 8 (9) The superintendent of public instruction shall develop rules 9 and regulations and inform school districts of the pertinent data 10 necessary to carry out the provisions of this section.
- NEW SECTION. Sec. 9. Section 7 of this act expires January 1, 2018.
- NEW SECTION. Sec. 10. Section 8 of this act takes effect 14 January 1, 2018.

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