

SENATE BILL REPORT

SB 5842

As Reported By Senate Committee On:
Early Learning & K-12 Education, February 21, 2007

Title: An act relating to education system benchmarks and monitoring.

Brief Description: Regarding education system benchmarks and monitoring.

Sponsors: Senators Oemig, McAuliffe, Zarelli, Tom, Weinstein, Kauffman, Rockefeller, Hobbs and Kohl-Welles.

Brief History:

Committee Activity: Early Learning & K-12 Education: 2/15/07, 2/21/07 [DPS-WM, DNP].

Ways & Means: 2/26/07.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 5842 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators McAuliffe, Chair; Tom, Vice Chair; Eide, Hobbs, Kauffman, Oemig, Rasmussen and Weinstein.

Minority Report: Do not pass.

Signed by Senators Clements and Zarelli.

Staff: Eric Bratton (786-7438)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Bryon Moore (786-7726)

Background: In 2005, the Legislature created a steering committee (Washington Learns) comprised of legislators, the Governor, and others, and three sector advisory committees on which legislators and others served. The steering and advisory committees were directed to conduct a comprehensive study of early learning, K-12, and higher education; to develop recommendations on how the state can best provide stable funding for early learning, public schools, and public colleges and universities; and to develop recommendations on specified policy issues. The steering committee submitted an interim and a final report with recommendations to the Legislature.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Superintendent of Public Instruction (SPI) is responsible for ensuring school districts follow proper budgetary procedures. If SPI determines after a review of a district's budget that the district failed to comply with any procedure or rule established by statute or by SPI, the district will be given 30 days to submit a revised budget correcting the error. SPI may withhold state allocations from any district that fails to comply with any binding restrictions issued by SPI.

Summary of Bill: Many of the recommendations from the November 2006 report of the Washington Learns steering committee regarding education system benchmarks and monitoring are implemented.

SPI and the Office of Financial Management (OFM) must develop and implement a school district financial health and monitoring system that identifies up to six system measures. They must also develop a financial health outlook rating system that places school districts in one of three financial health categories based on the district's ratings on the six measures. The measures must be presented to the Governor by November 2007. If the Governor and SPI agree, then the system will be implemented in the 2008-09 school year. The financial health rating category of each school district will be published annually. Educational Service Districts (ESDs) and SPI will provide technical assistance to districts in the lowest two categories. SPI and OFM will jointly review the current budget submittal and approval process, and develop recommendations for changes. The recommendations must include a system of progressive state assistance and potential interventions and oversight in districts identified in the lowest two categories on the financial health outlook rating system. SPI must submit an implementation progress report by November 2007.

An education data center is established at OFM. The center will work with state boards, state agencies, and colleges and universities to collect and analyze education data from early learning through higher education. One of the many duties of the center is to assist other education boards and agencies as they establish educational benchmarks for Washington compared to the Global Challenge States. A definition of the Global Challenge States is provided. At least once every five years, OFM must determine whether there should be changes to the list of states and report its findings. OFM and SPI must review the teacher pay systems in the Global Challenge States and develop a methodology for comparing teacher salaries among the Global Challenge States. OFM must report the findings of the review by January 2008.

EFFECT OF CHANGES MADE BY RECOMMENDED SUBSTITUTE AS PASSED COMMITTEE (Early Learning & K-12 Education): SPI and OFM must seek input from local school boards and administrators when developing the six system measures and must consider how the financial health of school districts is related to using levy funds to cover the costs of basic education and insufficient funding to meet state requirements in education. SPI must seek approval from the Legislature before executing the intervention measures called for in the bill. When sufficient data has been collected, the data center will develop a methodology for reviewing the teacher pay systems of the Global Challenge States and report its findings to the Governor and the Legislature by January 2008, if practical.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Early Learning & K-12 Education): PRO: This bill allows us to see what is going on in the classroom and how we are spending money, and also demonstrates to the public what we are buying, what we are underfunding, and how to better leverage resources. Currently, we can only collect a summary of data. This bill will allow us to collect more information, so we will have a better understanding of what is happening in our schools. The early warning system for financial health will allow for real time analysis to catch issues much sooner. More data is needed. Financial crises in school districts is a real problem that needs to be addressed. A data center will enhance the state's ability to conduct collaborative studies across the P-20 system.

CON: Every district is different and developing just six measures might not address the differences. The Educational Service Districts have resources to help schools experiencing financial difficulties. Maybe should look to see if they are adequately funded.

OTHER: The Washington Association of School Business Officials should help develop benchmarks and monitoring procedures since it is where the expertise exists. There is a need to make sure private colleges have access to the data.

Persons Testifying (Early Learning & K-12 Education): PRO: Senator Oemig, prime sponsor; John Molohun, Bill Keim, Educational Service District 113; Julie Salvi, Office of Financial Management.

CON: Lucinda Young, Washington Education Association.

OTHER: Allen Jones, Washington Association of School Business Officials; Bob Cooper, Washington Association of Colleges for Teacher Education.

Staff Summary of Public Testimony (Ways & Means): PRO: This bill allows us to see where the resources are currently being spent and it is an important step in understanding what is going on in school districts. This will save money. Better data is needed to allow us to make informed policy decisions. The Washington Association of School Business Officials should help develop benchmarks and monitoring procedures since it is where the expertise exists. There is a need to make sure private colleges are part of this effort.

CON: The Legislature needs to consider how many districts would need the kind of financial technical assistance. This undermines local control and there are already existing procedures and safeguards in place.

Persons Testifying (Ways & Means): PRO: Senator Oemig, prime sponsor; Judy Hartmann, Governor's Policy Office; Bob Cooper, Washington Association of Colleges for Teacher Education.

CON: Lucinda Young, Washington Education Association; Barbara Mertens, Washington Association of School Administrators; Mitch Denning, Alliance of Education Associations.