

Proposed Substitute House Bill 2140
(H-2483.1/19)
by Representative Sullivan

The proposed substitute bill makes the following changes.

Enrichment Levies.

Beginning in the 2020 calendar year, the proposed substitute changes the enrichment levy limit for school districts from the lesser of \$2,500 per pupil or \$1.50 per \$1,000 of assessed property value to either 20 percent of the state and federal levy base in the prior school year or the lesser of \$3,000 per pupil or \$1.50 per \$1,000 of assessed property value.

Local Effort Assistance.

Beginning in the 2020 calendar year, the proposed substitute bill changes the local effort assistance funding formula for school districts from \$1,500 per pupil for eligible districts to a formula that equalizes districts up to 10 percent of the state and federal levy base in the prior year for districts with less than 75 percent of students eligible for free and reduced priced meals. Districts with 75 percent or more eligible for free and reduced-priced meals are equalized up to 12 percent of the state and federal levy base.

Special Education Multiplier.

The special education excess cost multiplier is increased from 0.9609 to 0.9925.

Paraeducators.

The proposed substitute bill changes the additional days of training needed for a general paraeducator certificate from 10 to six, and changes the required hours for an advanced certificate from 75 to 56.

Proposed Substitute House Bill 2140

(H-2483.1/19)

by Representative Sullivan

1 AN ACT Relating to K-12 education funding; amending RCW
2 84.52.0531, 28A.500.015, 28A.150.390, 28A.413.070, and 28A.413.090;
3 and providing an effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 84.52.0531 and 2018 c 266 s 307 are each amended to
6 read as follows:

7 LOCAL ENRICHMENT LEVY REVISED. (1) Beginning with taxes levied
8 for collection in ((2019)) 2020, the maximum dollar amount which may
9 be levied by or for any school district for enrichment levies under
10 RCW 84.52.053 is ((equal to)) either:

11 (a) The lesser of one dollar and fifty cents per thousand dollars
12 of the assessed value of property in the school district or the
13 maximum per-pupil limit; or

14 (b) The sum of (b)(i) of this subsection plus or minus (b)(ii),
15 (iii), and (iv) of this subsection, minus (b)(v) of this subsection:

16 (i) The school district's levy base as defined in subsection (2)
17 of this section multiplied by twenty percent;

18 (ii) For school districts in a high/nonhigh relationship, the
19 high school district's maximum levy amount is reduced by, and the
20 nonhigh school district's maximum levy amount is increased by, an
21 amount equal to the estimated amount of the nonhigh payment due to

1 the high school district under RCW 28A.545.030(3) and 28A.545.050 for
2 the school year commencing in the year of the levy;

3 (iii) Except for nonhigh school districts under (b)(iv) of this
4 subsection, for school districts in an interdistrict cooperative
5 agreement, the nonresident school district's maximum levy amount is
6 reduced by, and the resident school district's maximum levy amount is
7 increased by, an amount equal to the per-pupil basic education
8 allocation included in the nonresident school district's levy base
9 under subsection (2) of this section:

10 (A) Multiplied by the number of full-time equivalent students
11 served from the resident school district in the prior school year;
12 and

13 (B) Multiplied by twenty percent;

14 (iv) The levy bases of nonhigh school districts participating in
15 an innovation academy cooperative formed under RCW 28A.340.080 must
16 be adjusted by the office of the superintendent of public instruction
17 to reflect each nonhigh school district's proportional share of
18 student enrollment in the cooperative;

19 (v) A school district's maximum levy amount is reduced by the
20 maximum amount of state matching funds for which the school district
21 is eligible under RCW 28A.500.010.

22 (2) A school district's levy base is the sum of allocations under
23 (a) through (c) of this subsection received by the school district
24 for the prior school year, including allocations for compensation
25 increases. A school district's levy base does not include local
26 school district property tax levies or other local revenues, or state
27 and federal allocations not identified in (a) through (c) of this
28 subsection.

29 (a) The school district's basic education allocation as
30 determined under RCW 28A.150.250, 28A.150.260, 28A.150.350, and
31 28A.150.415;

32 (b) State and federal categorical allocations for the following
33 programs:

34 (i) Pupil transportation;

35 (ii) Special education;

36 (iii) Education of highly capable students;

37 (iv) Compensatory education including, but not limited to,
38 learning assistance, migrant education, Indian education, refugee
39 programs, and bilingual education;

40 (v) Food services; and

1 (vi) Statewide block grant programs; and

2 (c) Any other federal allocations for elementary and secondary
3 school programs, including direct grants, other than federal impact
4 aid funds and allocations in lieu of taxes.

5 ~~((2))~~ (3) The definitions in this subsection apply to this
6 section unless the context clearly requires otherwise.

7 ~~((For the purpose of this section,))~~ "Inflation" means, for
8 any school year, the rate of the yearly increase of the previous
9 calendar year's annual average consumer price index for all urban
10 consumers, Seattle area, using the official current base compiled by
11 the bureau of labor statistics, United States department of labor.

12 (b) "Maximum per-pupil limit" means ~~((two))~~ three thousand ~~((five~~
13 ~~hundred))~~ dollars, multiplied by the number of average annual full-
14 time equivalent students enrolled in the school district in the prior
15 school year. Beginning with property taxes levied for collection in
16 2020, the maximum per-pupil limit shall be increased by inflation
17 from the 2019 calendar year.

18 ~~((c) "Prior school year" means the most recent school year~~
19 ~~completed prior to the year in which the levies are to be collected.~~

20 ~~(3))~~ (i) For districts in a high/nonhigh relationship, the
21 enrollments of the nonhigh students attending the high school shall
22 only be counted by the nonhigh school districts for purposes of
23 ~~((funding under this section))~~ calculating the maximum per-pupil
24 limit.

25 ~~((4))~~ (ii) For school districts participating in an innovation
26 academy cooperative established under RCW 28A.340.080, enrollments of
27 students attending the academy shall be adjusted so that each
28 participant district receives its proportional share of student
29 enrollments for purposes of ~~((funding under this section))~~
30 calculating the maximum per-pupil limit.

31 ~~((5))~~ (c) "Prior school year" means the most recent school year
32 completed prior to the year in which the levies are collected.

33 (4) Beginning with propositions for enrichment levies for
34 collection in calendar year 2020 and thereafter, a district must
35 receive approval of an enrichment levy expenditure plan under RCW
36 28A.505.240 before submission of the proposition to the voters.

37 ~~((6))~~ (5) The superintendent of public instruction shall
38 develop rules and regulations and inform school districts of the
39 pertinent data necessary to carry out the provisions of this section.

1 ~~((7))~~ (6) Beginning with taxes levied for collection in 2018,
2 enrichment levy revenues must be deposited in a separate subfund of
3 the school district's general fund pursuant to RCW 28A.320.330, and
4 for the 2018-19 school year are subject to the restrictions of RCW
5 28A.150.276 and the audit requirements of RCW 43.09.2856.

6 ~~((8))~~ (7) Funds collected from levies for transportation
7 vehicles, construction, modernization, or remodeling of school
8 facilities as established in RCW 84.52.053 are not subject to the
9 levy limitations in subsections (1) ~~((through (5)))~~ and (2) of this
10 section.

11 **Sec. 2.** RCW 28A.500.015 and 2018 c 266 s 303 are each amended to
12 read as follows:

13 LEVY EQUALIZATION REVISED TO REFLECT ENRICHMENT LEVY CHANGES. (1)
14 Beginning in calendar year ~~((2019))~~ 2020 and each calendar year
15 thereafter, the state must provide state local effort assistance
16 funding to supplement school district enrichment levies as provided
17 in this section.

18 (2) ~~((For an))~~ The superintendent of public instruction must
19 allocate state matching funds to eligible school district~~((, annual))~~
20 s for local effort assistance ~~((funding is equal to the school~~
21 ~~district's maximum local effort assistance multiplied by a fraction~~
22 ~~equal to the school district's actual enrichment levy divided by the~~
23 ~~school district's maximum allowable enrichment levy))~~ as follows:

24 (a) For school districts with a percentage of students in grades
25 K-12 who were eligible for free or reduced-price meals in the prior
26 school year of less than seventy-five percent:

27 (i) Funds raised by the school district through enrichment levies
28 must be matched with state funds using the following ratio of state
29 funds to levy funds: The difference between the school district's ten
30 percent levy rate and the statewide average ten percent levy rate, to
31 the statewide average ten percent levy rate.

32 (ii) The maximum amount of state matching funds for school
33 districts eligible for local effort assistance is the school
34 district's ten percent levy amount, multiplied by the following
35 percentage: The difference between the school district's ten percent
36 levy rate and the statewide average ten percent levy rate, divided by
37 the school district's ten percent levy rate.

1 (b) For school districts with a percentage of students in grades
2 K-12 who were eligible for free or reduced-price meals in the prior
3 school year of seventy-five percent or more:

4 (i) Funds raised by the school district through enrichment levies
5 must be matched with state funds using the following ratio of state
6 funds to levy funds: The difference between the school district's
7 twelve percent levy rate and the statewide average twelve percent
8 levy rate, to the statewide average twelve percent levy rate.

9 (ii) The maximum amount of state matching funds for school
10 districts eligible for local effort assistance is the school
11 district's twelve percent levy amount, multiplied by the following
12 percentage: The difference between the school district's twelve
13 percent levy rate and the statewide average twelve percent levy rate,
14 divided by the school district's twelve percent levy rate.

15 (3) The state local effort assistance funding provided under this
16 section is not part of the state's program of basic education deemed
17 by the legislature to comply with the requirements of Article IX,
18 section 1 of the state Constitution.

19 (4) The definitions in this subsection apply throughout this
20 section unless the context clearly requires otherwise.

21 ~~(a) ("Eligible school district" means a school district whose~~
22 ~~maximum allowable enrichment levy divided by the school district's~~
23 ~~total student enrollment in the prior school year is less than the~~
24 ~~state local effort assistance threshold.~~

25 ~~(b) For the purpose of this section, "inflation" means, for any~~
26 ~~school year, the rate of the yearly increase of the previous calendar~~
27 ~~year's annual average consumer price index for all urban consumers,~~
28 ~~Seattle area, using the official current base compiled by the bureau~~
29 ~~of labor statistics, United States department of labor.~~

30 ~~(c) "Maximum allowable enrichment levy" means the maximum levy~~
31 ~~permitted by RCW 84.52.0531.~~

32 ~~(d) "Maximum local effort assistance" means the difference~~
33 ~~between the following:~~

34 ~~(i) The school district's actual prior school year enrollment~~
35 ~~multiplied by the state local effort assistance threshold; and~~

36 ~~(ii) The school district's maximum allowable enrichment levy.~~

37 ~~(e) "Prior school year" means the most recent school year~~
38 ~~completed prior to the year in which the state local effort~~
39 ~~assistance funding is to be distributed.~~

1 ~~(f) "State local effort assistance threshold" means one thousand~~
2 ~~five hundred dollars per student, increased for inflation beginning~~
3 ~~in calendar year 2020.~~

4 ~~(g) "Student enrollment" means the average annual full-time~~
5 ~~equivalent student enrollment.~~

6 ~~(5) For districts in a high/nonhigh relationship, the enrollments~~
7 ~~of the nonhigh students attending the high school shall only be~~
8 ~~counted by the nonhigh school districts for purposes of funding under~~
9 ~~this section.~~

10 ~~(6) For school districts participating in an innovation academy~~
11 ~~cooperative established under RCW 28A.340.080, enrollments of~~
12 ~~students attending the academy shall be adjusted so that each~~
13 ~~participant district receives its proportional share of student~~
14 ~~enrollments for purposes of funding under this section.)~~ "Prior tax
15 collection year" means the year immediately preceding the year in
16 which the local effort assistance is allocated.

17 (b) "School districts eligible for local effort assistance" means
18 those school districts with a ten percent levy rate that exceeds the
19 statewide average ten percent levy rate.

20 (c) "School district's ten percent levy amount" means the school
21 district's maximum levy authority after transfers determined under
22 RCW 84.52.0531(1)(b) (i) through (iii) divided by twenty percent
23 multiplied by ten percent.

24 (d) "School district's ten percent levy rate" means the school
25 district's ten percent levy amount divided by the school district's
26 assessed valuation for enrichment levy purposes for the prior tax
27 collection year.

28 (e) "School district's twelve percent levy amount" means the
29 school district's maximum levy authority after transfers determined
30 under RCW 84.52.0531(1)(b) (i) through (iii) divided by twenty
31 percent multiplied by twelve percent.

32 (f) "School district's twelve percent levy rate" means the school
33 district's twelve percent levy amount divided by the school
34 district's assessed valuation for enrichment levy purposes for the
35 prior tax collection year.

36 (g) "Statewide average ten percent levy rate" means ten percent
37 of the total levy bases as defined in RCW 84.52.0531(2), summed for
38 all school districts and divided by the total assessed valuation for
39 enrichment levy purposes in the prior tax collection year for all
40 school districts.

1 (h) "Statewide average twelve percent levy rate" means twelve
2 percent of the total levy bases as defined in RCW 84.52.0531(2),
3 summed for all school districts and divided by the total assessed
4 valuation for enrichment levy purposes in the prior tax collection
5 year for all school districts.

6 (5) Unless otherwise stated, all rates, percentages, and amounts
7 are for the calendar year for which local effort assistance is
8 calculated under this chapter.

9 **Sec. 3.** RCW 28A.150.390 and 2018 c 266 s 102 are each amended to
10 read as follows:

11 SPECIAL EDUCATION MULTIPLIER. (1) The superintendent of public
12 instruction shall submit to each regular session of the legislature
13 during an odd-numbered year a programmed budget request for special
14 education programs for students with disabilities. Funding for
15 programs operated by local school districts shall be on an excess
16 cost basis from appropriations provided by the legislature for
17 special education programs for students with disabilities and shall
18 take account of state funds accruing through RCW 28A.150.260 (4) (a),
19 (5), (6), and (8) and 28A.150.415.

20 (2) The excess cost allocation to school districts shall be based
21 on the following:

22 (a) A district's annual average headcount enrollment of students
23 ages birth through four and those five year olds not yet enrolled in
24 kindergarten who are eligible for and enrolled in special education,
25 multiplied by the district's base allocation per full-time equivalent
26 student, multiplied by 1.15; and

27 (b) A district's annual average full-time equivalent basic
28 education enrollment, multiplied by the district's funded enrollment
29 percent, multiplied by the district's base allocation per full-time
30 equivalent student, multiplied by (~~0.9609~~) 0.9925.

31 (3) As used in this section:

32 (a) "Base allocation" means the total state allocation to all
33 schools in the district generated by the distribution formula under
34 RCW 28A.150.260 (4) (a), (5), (6), and (8) and the allocation under
35 RCW 28A.150.415, to be divided by the district's full-time equivalent
36 enrollment.

37 (b) "Basic education enrollment" means enrollment of resident
38 students including nonresident students enrolled under RCW
39 28A.225.225 and students from nonhigh districts enrolled under RCW

1 28A.225.210 and excluding students residing in another district
2 enrolled as part of an interdistrict cooperative program under RCW
3 28A.225.250.

4 (c) "Enrollment percent" means the district's resident special
5 education annual average enrollment, excluding students ages birth
6 through four and those five year olds not yet enrolled in
7 kindergarten, as a percent of the district's annual average full-time
8 equivalent basic education enrollment.

9 (d) "Funded enrollment percent" means the lesser of the
10 district's actual enrollment percent or thirteen and five-tenths
11 percent.

12 **Sec. 4.** RCW 28A.413.070 and 2018 c 153 s 4 are each amended to
13 read as follows:

14 PARAPROFESSIONAL CERTIFICATION AND DEVELOPMENT. (1) School
15 districts must implement this section only in school years for which
16 state funding is appropriated specifically for the purposes of this
17 section and only for the number of days that are funded by the
18 appropriation.

19 (2)(a) Paraeducators may become eligible for a general
20 paraeducator certificate by completing the four-day fundamental
21 course of study, as required under RCW 28A.413.060, and an additional
22 (~~ten~~) six days of general courses, as defined by the board, on the
23 state paraeducator standards of practice, described in RCW
24 28A.413.050.

25 (b) Paraeducators are not required to meet the general
26 paraeducator certificate requirements under this subsection (2)
27 unless the courses necessary to meet the requirements are funded by
28 the state in accordance with subsection (1) of this section and RCW
29 28A.413.060(1).

30 (3) Beginning September 1, 2019, school districts must:

31 (a) Provide paraeducators with general courses on the state
32 paraeducator standards of practice; and

33 (b) Ensure all paraeducators employed by the district meet the
34 general certification requirements of this section within three years
35 of completing the four-day fundamental course of study.

36 (4) The general paraeducator certificate does not expire.

37 **Sec. 5.** RCW 28A.413.090 and 2017 c 237 s 10 are each amended to
38 read as follows:

1 PARAEDUCATOR CERTIFICATION AND DEVELOPMENT. (1) The board shall
2 adopt requirements and policies for an advanced paraeducator
3 certificate that are based on the recommendations of the paraeducator
4 work group established in chapter 136, Laws of 2014.

5 (2) The rules adopted by the board must include the following
6 requirements:

7 (a) An advanced paraeducator certificate is not a prerequisite
8 for a paraeducator working in any program;

9 (b) Paraeducators may become eligible for an advanced
10 paraeducator certificate by completing ((~~seventy-five~~)) fifty-six
11 hours of professional development in topics related to the duties of
12 an advanced paraeducator; and

13 (c) Advanced paraeducator certificates expire after five years.

14 NEW SECTION. **Sec. 6.** EFFECTIVE DATE FOR LEVIES AND LOCAL EFFORT
15 ASSISTANCE. Sections 1 and 2 of this act take effect January 1, 2020.

--- END ---