



Special Edition: Special Session Update

Washington State operates on a system of biennial budgets which extend to fiscal, rather than calendar, years. The current 2009–11 budget runs from July 1, 2009 through June 30, 2011. This two-year budget was adopted by the 2009 Legislature and was revised by the 2010 Legislature.

TWIO is a publication of the Washington Association of School Administrators. TWIO keeps you informed about budget issues and legislation impacting K–12 education. Weekly TWIO releases will begin after the Legislature convenes on January 10, 2011.

Due to worsening economic conditions—with revenues coming in well under projections and expected expenditures continuing to increase—action needed to be taken by the Legislature or the governor to keep the current 2009–11 Operating Budget from going into the red. The state's September revenue forecast projected a shortfall of approximately \$520 million in the current budget and Governor Gregoire issued an Executive Order directing a 6.287 percent across-the-board cut beginning on October 1. Basic education, debt service, and pension payments were exempt. Ultimately, the required cuts achieved approximately \$400 million in budget savings.

The November forecast showed continued revenue declines and the projected revenue shortfall increased to \$1.14 billion. Governor Gregoire outlined a list of potential cuts and requested that legislative leaders in each of the four caucuses submit to her their own suggested budget solutions. Soon after, Gregoire began meeting with leaders from the “four corners.”

In an effort to force the issue, the governor announced on Monday, December 6, that she would be calling the Legislature into a Special Session sometime before Christmas. By the end of the week, legislative leaders struck a budget reduction deal and the governor ordered a Special Session to begin on Saturday, December 11.

When the Legislature convened its Special Session, three bills were introduced and adopted: [SB 6892](#) (tax delinquency waivers); [SB 6893](#) (child support pass through); and [HB 3225](#) (Second 2010 Supplemental Operating Budget). SB 6892 will suspend penalties and interest on unpaid taxes for businesses that pay all back taxes. It is estimated approximately 10,000 businesses would pay back taxes under this tax amnesty plan and generate \$24.4 million in unpaid state sales taxes and \$3.9 million in unpaid local taxes. Under SB 6892, all child support payments for children whose families receive Temporary Assistance for Needy Families benefits will go to the state, rather than just a part of the payment as currently occurs. It is estimated this will save the state \$1.45 million. HB 3225, the “early action” budget plan, implements various reductions to the current 2009–11 budget, addressing about \$588 million in the current budget hole (this includes about \$490 million in reductions and a number of fund transfers). Governor Gregoire will make another \$110 million in across-the-board cuts, bringing the budget solution close to \$700 million. Details of the K–12 impacts contained in HB 3225 follow (further details can be found on the [Legislative Evaluation & Accountability Committee website](#)).

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OSPI & Statewide Programs (Total reduction = \$3.664 million)

- The Office of the Superintendent of Public Instruction (OSPI) operating budget is reduced by 6.287 percent for FY 2011 (\$658,000).
- OSPI's administrative budget contains funding to research, develop, and to implement a new K–12 funding system. The budget reduction reflects anticipated under expenditures in this area (\$450,000).
- Funding for the position of Skills Center Director is eliminated, effective March 1, 2011 (\$33,000).
- OSPI contracts for outreach services to inform students of the College Bound Scholarship. The budget eliminates the remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$500,000).
- OSPI provides funding for Project Citizen, a program presented by the National Conference of State Legislatures and the Center for Civic Education to promote participation in government by middle school students. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$13,000).
- Agency staffing was increased in the 2010 Supplemental Budget for added activities of monitoring, training, and school-district compliance reviews with civil rights laws associated with Chapter 240, Laws of 2010 (HB 3026) regarding Civil Rights Enforcement. This funding is eliminated, effective March 1, 2011 (\$44,000).
- OSPI's administrative budget includes funding for Early Learning Plan legislation that directed OSPI and the Department of Early Learning to convene a technical working group and develop a comprehensive plan for a voluntary program of early learning. The Office of Financial Management did not approve the exemption request associated with this item and the budget reduction reflects anticipated under expenditures by OSPI (\$140,000).
- The Professional Educator Standards Board (PESB) operations budget is reduced by 6.287 percent for Fiscal Year 2011 (\$55,000).
- Funding for the administration of the state's Professional Certification program is reduced by 6.287 percent for Fiscal Year 2011 (\$18,000).
- Funding for various programs that support attainment of teacher certification or specialized endorsement is reduced by 6.287 percent for Fiscal Year 2011. The programs included are: Recruiting of Diverse Teachers; Alternative Certification Routes, which are teacher training programs that serve as alternatives to traditional teacher preparation programs; the Para Educator Pipeline program, which provides support for para educators earning their teacher certifications; and the Re-Tooling to Teach Math program, which assists current teachers returning to school to earn a math endorsement (\$130,000).
- Funding to support the work of the Achievement Gap Committee is reduced by 6.287 percent in Fiscal Year 2011 (\$6,000).
- The State Board of Education's operating budget is reduced by 6.287 percent for Fiscal Year 2011 (\$59,000).
- OSPI funding for non violence leadership training is reduced by 6.287 percent for Fiscal Year 2011 (\$3,000).
- Funding for the Nursing Corps is reduced. OSPI provides funding for nurses stationed at Educational Service Districts to travel to schools to provide staff training and direct care to students. Fiscal Year 2011 program funding is reduced by 6.287 percent (\$160,000).

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- Funding for the OSPI Safety Center is reduced. OSPI's Safety Center reviews and approves district safety plans, serves as a resource for schools and district when incidents occur, and provides additional technical assistance to districts. Fiscal Year 2011 program funding is reduced by 6.287 percent (\$6,000).
- Funding for School Safety Training is reduced. OSPI contracts with the state's Criminal Justice Training Commission to provide safety training for school district personnel. Fiscal Year 2011 program funding is reduced by 6.287 percent (\$6,000).
- OSPI's administrative budget includes funding for the K–12 portion of the K–20 network that provides internet, data processing, and video conferencing capacity to school districts and state offices. Fiscal Year 2011 program funding is reduced by 6.287 percent (\$110,000).
- Navigation 101 provides implementation grants to districts for guidance and career counseling programs in secondary schools. The budget is reduced by 6.287 percent in Fiscal Year 2011 (\$196,000).
- OSPI provides financial support to assist student Career and Technical Education (CTE) organizations. The budget assumes elimination of the remaining funding for Fiscal Year 2011, a reduction of 50 Percent (\$49,000).
- Seven districts participate in the Special Services Pilot Program. The program emphasizes early intervention activities towards the goal of reducing the number of children identified for special education services. The program, by statute, is to end during the 2010–11 school year. The budget assumes the program is ended effective March 1, 2011 (\$665,000).
- OSPI staffing for the Building Bridges program, to implement a comprehensive dropout prevention, intervention, and retrieval program is eliminated, effective March 1, 2011 (\$112,000).
- The Dyslexia Pilot Program provides regional training (through the Educational Service Districts) for classroom teachers and reading specialists to improve reading skills of students diagnosed with dyslexia. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$38,000).
- Running Start for the Trades, or Pre Apprenticeship Grants, offer incentive awards of up to \$10,000 to districts to develop pre apprenticeship trade and craft programs and recruit students into the programs. The budget assumes suspension of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$88,000).
- OSPI contracts with the Latino/a Educational Achievement Project (LEAP) to identify and mentor bilingual students to become interested in the teaching profession. The budget reduction reflects anticipated under expenditures by OSPI in this area (\$75,000).
- Jobs for America's Graduates is a dropout prevention program at OSPI, started in Fiscal Year 2011. Funding for program staff is eliminated, effective March 1, 2011 (\$50,000).

General Apportionment (Total reduction = \$247.52 million)

- The FY 2011 supplemental budget incorporates funding from the Education Jobs Federal Grant as part of the general apportionment payment to school districts for the 2010–11 school year. In other words, a districts' expected edu jobs allocation will be "deducted" from their apportionment payments (\$208 million).
- Funding for class size reduction in grades K–4 is discontinued as of February, 2011 and for the remainder of the 2010–11 school year. The adjusted ratio of certificated instructional staff person to full-time equivalent students is now 49 per 1,000 for grades K–3 and 46 per 1,000 for grade 4. This is reduced from the 2010–11 ratios provided in the 2010 enacted

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supplemental budget, which were 53.2 per 1,000 for grades K–3 and 47.43 per 1,000 for grade 4 (\$39.4 million).

Education Reform (Total reduction = \$9.17 million)

- Funding for the development of diagnostic assessments is suspended for the remaining funding appropriated during the 2009–11 biennium (\$2.5 million).
- Funding for the OSPI assessment system is reduced through the use of one-time federal funds to off-set state general fund costs, a reduction in assessment program staff, and a reduction to the rate paid to districts for collection of evidence submissions (\$2.67 million).
- The Beginning Educator Support Team (B.E.S.T) program provides early career educators with mentorship and support. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$1.0 million).
- Funding for internships for principals, superintendents, and program administrators completing certification programs is eliminated for the remainder of Fiscal Year 2011, a reduction of 50 percent (\$265,000).
- OSPI currently staffs coordination and promotion of integrated science, technology, engineering, and math (STEM) programs. Funding for staffing is eliminated effective March 1, 2011 (\$46,000).
- The Leadership and Assistance for Science Education Reform (LASER) program is a statewide project to implement hands-on science curriculum through regional school district alliances. Funding for this program is reduced by 50 percent (\$198,000).
- The Washington State Leadership Academy supports professional development and training for school administrators. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$450,000).
- Focused Assistance Program provides technical assistance to schools and school districts struggling to meet adequate yearly progress benchmarks established by the federal government. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$762,000).
- The Center for the Improvement of Student Learning (CISL) provides outreach to districts and communities to improve student outcomes, by serving as a clearinghouse for best practices and identifying strategies for closing the achievement gap. The budget assumes elimination of funding for program staff, effective March 1, 2011 (\$75,000).
- The Science, Technology, Engineering, and Math (STEM) Lighthouses are three best practice, or “lighthouse” districts that provide technical assistance to help replicate best practices in other districts. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$75,000).
- Career and Technical Education (CTE) Start Up grants provide funding to middle schools, high schools, or skill centers to upgrade high demand career and technical education programs. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$456,000).
- The Reading Corps program provides grants to schools with low reading scores to provide student tutoring through the use of AmeriCorps and VISTA members. The budget assumes elimination of remaining funding for Fiscal Year 2011, a reduction of 50 percent (\$528,000).
- Education Technology Support Centers are funds directed to the Educational Service Districts to provide school districts with assistance in technology planning, network

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development, cost benefit analysis, and professional development. The budget assumes a funding reduction of 6.287 percent in Fiscal Year 2011 (\$123,000).

- OSPI staffing to support programs funded in the Education Reform budget is reduced by 6.287 percent (\$26,000).

Total Public Schools Reduction = \$260.36 million

OSPI & Statewide Programs Reduction = \$3.664 million

General Apportionment Reduction = \$247.52 million

Education Reform Reduction = \$9.17 million

Total 2010 Supplemental Operating Budget Reduction = \$490.35 million

2011 Supplemental Operating Budget 2011-13 Operating Budget

The unusual lame-duck Special Session held this past weekend slimmed down the current 2009–11 Operating Budget by about \$700 million; however, more steps will be needed to complete erase the projected \$1.14 billion budget shortfall. Governor Gregoire is slated to release a 2011 Supplemental Operating Budget on Monday, December 20.

The Special Session “early action” budget reduces the projected budget deficit in the 2011–13 Operating Budget, but there is still a significant hole left to fill. Governor Gregoire is scheduled to release her proposed 2011–13 Operating Budget proposal on Wednesday, December 15. We will provide details of on-going budget debates via This Week in Olympia (TWIO) as quickly as possible.



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