

Windows Into The Budget

Senator Andy Hill

The Paramount Duty Series - Part II

McCleary, Fulfilling Our Paramount Duty, and the Myth that New Taxes Are Needed

Welcome to the second of three parts in The Paramount Duty Series, an examination of what led to the McCleary decision, its key holdings, a look at the dramatic K-12 funding increases in recent budgets, and what still remains to be done.

The purpose of this series is to provide readers with a clearer understanding of the issues.

[In case you missed it click here to read Part I.](#)

Think of this as a Treatise on McCleary:

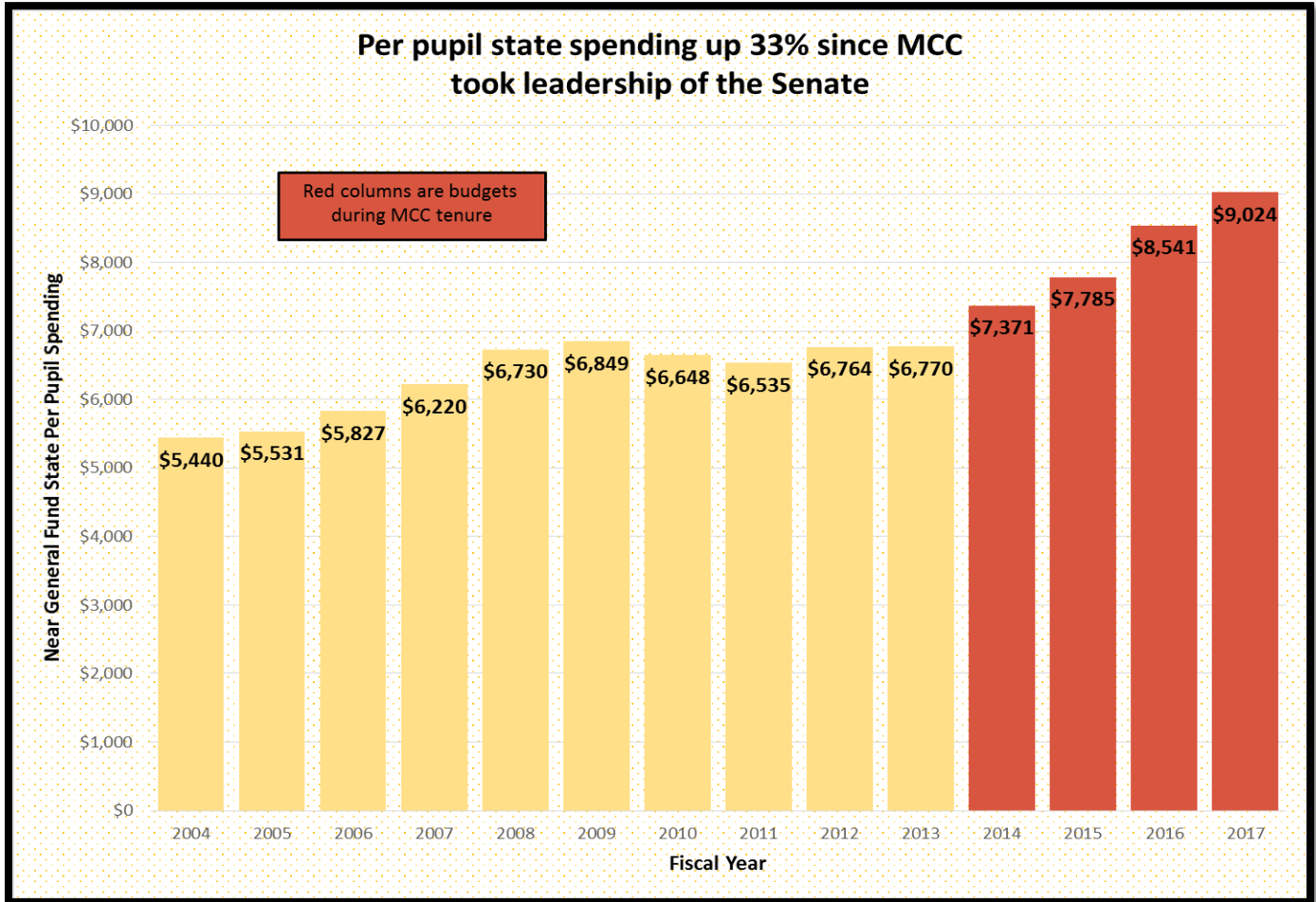
What led to it, what has happened since the ruling, and what still remains.

Today's Installment:

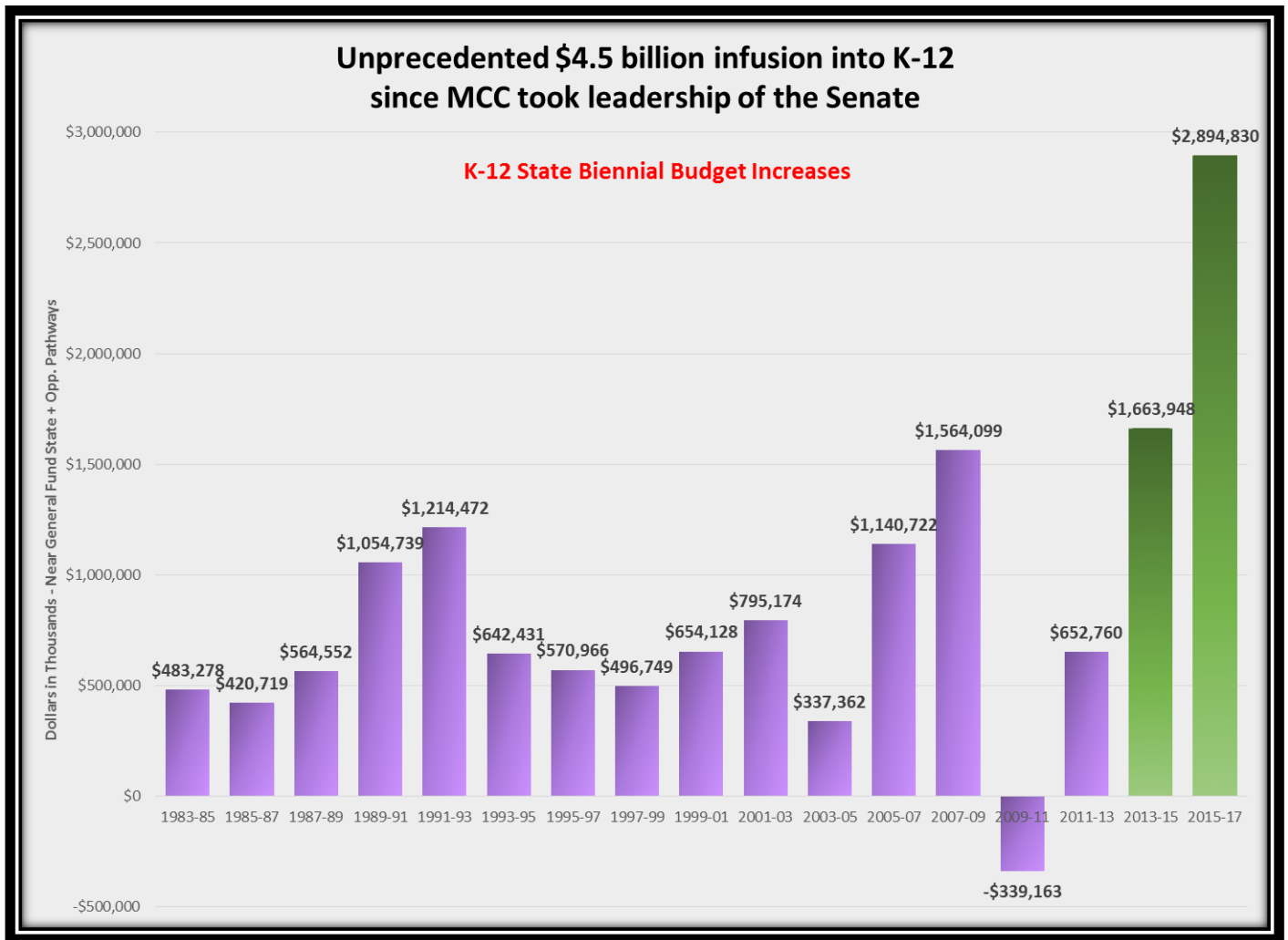
Part 2: Turning the tide – state spending radically reprioritized under Majority Coalition Caucus

The Majority Coalition Caucus (MCC) took the reins of the Senate in 2013, determined to turn the tide of the previous 30 years and reprioritize education. The results are as follows.

I: Per pupil state spending up by 33% in 4 years



II: State spending on K-12 increased by an unprecedented \$4.5 billion



Message to Court:

That "promising reform program" that would "remedy the deficiencies in the prior funding system" has been fully funded.

In 2012, the court - while endorsing the Legislature's revised, expansive definition of basic education as a constitutional cure - was skeptical that the mandates of that program would come to fruition, as shown through very choice words ("timely implementation remains uncertain . . . court cannot idly stand by . . . unfulfilled promises.")

In 2015, the Legislature enacted a budget that fully funds the statutory components of that reform program. Distressingly, the court in its most recent August 2015 order appeared to misunderstand the extent of the Legislature's actions.¹³ And, to be clear, the Legislature has gone beyond that initial program to enhance basic education in other ways.

State funding improvements since McCleary ruling

- ☑ Fully funding Districts' Actual Transportation Costs
 - This infirmity was remedied in 2013-15, resulting in over \$250 million a biennia of additional state support.¹⁴
- ☑ Fully funding Districts' Material & Supplies Costs
 - The state raised its funding from \$546 per pupil in 2011-12 to \$1,237 per pupil in 2016-17 (second year of present budget). This represents an increase in state dollars of over \$1.4 billion a biennia.¹⁵
- ☑ Fully funding Voluntary All-Day Kindergarten in Every District in State
 - Increased funding from 22% of schools in 2011 budget to 100% of schools in 2016-17, an influx of over \$400 million a biennia.¹⁶
- ☑ Reducing Kindergarten through Grade 3 Class Size to 17 by 2017-18 school year
 - In 2012, K-3 class size averaged 25 students.
 - The enacted budget funds K-3 class sizes of 17 in high-poverty districts and accommodates in the balanced budget projection an additional \$750 million investment next biennia to fund such class sizes statewide by the statutory 2017-18 deadline. Districts are eligible for funding only if they actually lower class sizes.¹⁷

The four items above comprise the required elements of the "promising reform" of basic education the court was skeptical would be funded by 2018. But, even that doesn't reflect the totality of the state's reforms, as these additional investments were also made since the McCleary decision:

- Nearly Doubled Funding for Program Supporting High Poverty Students¹⁸
 - High poverty students are the most at-risk and least likely to graduate. The 2013-15 budget nearly doubled state funding for the Learning Assistance Program targeted at low-income students, resulting in a \$200 million funding increase since McCleary.
 - Additionally, to improve outcomes the Legislature targeted expenditures on programs research found to be "evidence-based".
- Reform Bilingual Education Funding
 - Aligned incentives for districts, resulting in an over 50% increase in the rate of bilingual students fully participating in standard coursework, particularly in early grades.¹⁹
- Salary & Health Benefit Increase for All K-12 Staff
 - Over \$400 million in enacted budget for K-12 staff salary and health benefit increases.²⁰

[Next in Part III](#)

What's left? Fairness via levy reform, debunking the new taxes myth, and the importance of education policy reforms

Footnotes:

13. Supreme Court Order, Aug. 13, 2015 See p. 5 ("With a deadline of 2018 for compliance, the State is not on course to meet class-size reduction goals by then.") http://www.courts.wa.gov/content/publicUpload/Supreme%20Court%20News/843627_081315McClearyorder.pdf This is just factually wrong. The class size reduction is a maintenance level budget item baked into the state's four year balanced budget and the increased spending required by 2018 is accommodated in that balanced budget projection. A similar factual error was made in the court's 2014 order (http://www.courts.wa.gov/content/publicUpload/Supreme%20Court%20News/20140109_843627_McClearyOrder.pdf) which asserted the state had not fully funded transportation, per HB 2776, in the 2013-15 biennia. The court relied on outdated fiscal reports in making that erroneous finding.
14. State expenditures on K-12 transportation was \$594 million in 2011-13, increasing to \$927 million in 2015-17, translating to a \$333 million funding increase in four years. Over \$250 million of that represents a policy enhancement from the state, separate from carryforward costs.
15. Senate W&M fiscal analysis.
16. 2011-13 Legislative Budget Notes (full day kindergarten to 22% of kindergartners in 2012-13), p. 272. 2015-17 Senate Ways & Means Agency Detail, p. 179 ("All-day Kindergarten is fully implemented at 100 percent of Kindergarten enrollment in the 2016-17 school year.")
17. See footnote #13. RCW 43.88.055 requires the state budget be projected to be balanced over four years, including all maintenance level funding for the subsequent biennia. The class size requirement for K-3 is considered maintenance level funding in 2017-19 and as such had to be required in the balanced budget projection. The projection shows an increase from \$268 million per year on K-3 class size in SY 16-17 to full funding of \$524 million per year in SY 17-18. http://www.erfc.wa.gov/budget/documents/bo_20150721.pdf
18. State funding of Learning Assistance Program increased from \$252 million in 2011-13 to \$450 million in 2015-17.
19. OFM report on exit rates of bilingual students.
20. W&M fiscal analysis, includes health benefits.