



PSESD Superintendent's Meeting
Renton, September 22, 2017

McCleary Education Funding Plan:
Overview of EHB 2242

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Overview of EHB 2242

- ▶ Education Funding Plan: EHB 2242
 - Salary Allocations
 - Enrichment Levies & LEA
 - Collective Bargaining & Supplemental Contracts
 - Accountability & Transparency
 - Health Benefits
- ▶ EHB 2242 Resources

EHB 2242—*McCleary* Solution

Purpose of EHB 2242: to “realize the promise” of the reforms embodied in ESHB 2261 (2009) and SHB 2776 (2010)

- ▶ Revises and increases State salary allocations for education staff
- ▶ Revises State and local education funding contributions
- ▶ Increases transparency and accountability of education funding

Salary Allocations—Overview

- ▶ Current Salary Allocation Model (SAM) and “staff mix” are eliminated after SY 2017–18
- ▶ Salary allocations for CIS, CAS, CLS based on statewide average salary, adjusted for regionalization and inflation
- ▶ Beginning SY 2019–20, CIS salary: Min=\$40K, Max=\$90K; after 5 years mandatory 10% increase
- ▶ 10% increase over Max allowed for ESAs or teachers in STEM, TBIP and Special Ed (not provided by State, but allowable use of State allocation)
- ▶ Salary allocation and regionalization reviewed and re-based every six years (begins 2023–24)

Certificated Staff Salary Allocations

	2016-17	2017-18	2018-19	2019-20	2020-21
Minimum	\$35,700	\$36,521	None	\$40,000	\$40,000
Average	\$54,943	\$56,201	\$59,334	\$64,000	\$64,000
Maximum	\$67,288	\$68,836	None	\$90,000	\$90,000
Specialty	None	None	None	Up to 10% add	Up to 10% add

- 2019-20 and 2020-21 amounts will be annually increased by inflation (IPD, not Seattle CPI)
- 2017-18 Average is currently an estimate
- 10% Specialty “bonus” will not be paid by State, but considered an allowable use of State allocation

Levies & LEA—Overview

- ▶ State Property Tax increased to \$2.70/\$1,000 assessed valuation (approx. \$0.82)
- ▶ Maximum “Enrichment” Levy is *lesser* of \$1.50/\$1,000 AV or \$2,500 per student
- ▶ Enrichment Levy plan must be submitted to OSPI and approved before levies can go to ballot
- ▶ Local revenues must be deposited in separate “sub-fund” of General Fund
- ▶ Local Effort Assistance is funded at maximum \$1,500 per student (max of levy + LEA)

CBA & Supplemental Contracts—Overview

- ▶ Levy funds can only be used for “enrichment” beyond basic education
- ▶ CBAs currently in place are not impaired; however agreements executed after bill’s effective date must comply with new law
- ▶ Supplemental pay may not exceed the employee’s basic education hourly rate
- ▶ Beginning Sept. 1, 2017, districts must annually report to OSPI on TRI contracts

Accountability/Transparency—Overview

- ▶ State Auditor will continue regular financial audits, with expanded review
- ▶ School Boards must adopt policy regarding audit findings
- ▶ School districts must develop four-year budget plans

Health Benefits—Overview

- ▶ New School Employees' Benefits Board established to design insurance benefit plans for school employees
- ▶ Existing health care plan provisions remain in effect through Dec. 31, 2019
- ▶ Employee costs for full family coverage cannot exceed the cost for employee-only coverage
- ▶ Health benefits removed from local bargaining; beginning Jan 1, 2020, no basic or optional health benefits may be provided by school districts that are not provided through SEBB



Resources

EHB 2242 Resources

- ▶ Unpacking EHB 2242 PPT: <http://bit.ly/2w7XsVf>
- ▶ EHB 2242 text: <http://bit.ly/2xQznqw>
- ▶ WASA Summary: <http://bit.ly/2hhrcZJ>
- ▶ WASA End of Session Report: <http://bit.ly/2f8GU8N>
 - Summary (page 8); Timeline (page 27)
- ▶ OSPI FAQ: <http://bit.ly/2wMKZKt>
- ▶ WEA FAQ: <http://bit.ly/2fgDNIU>

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