A WAY FORWARD

We can and must do better for Washington’s students.

January 2015
Washington’s policymakers have spent much time, money, and intellectual capital trying to overhaul our state’s education funding system—multiple task forces, studies, work groups, legislative efforts—and yet, we lack a plan for ample, equitable, and stable funding. In addition, our definition of “basic education”—what this funding system is supposed to pay for—doesn’t go far enough to prepare our kids for college or career.

The Washington State Supreme Court found that the state was violating its constitutional obligation to amply fund basic education in the McCleary v. State of Washington funding case. Lawmakers were given a 2018 deadline to fix how we fund basic education. The passage of Initiative 1351 to lower K–12 class sizes statewide magnifies the intense pressure on the Legislature to determine a viable funding plan for public education. Though the 2018 deadline looms, the Court found the Legislature in “contempt of court” last fall, giving them until the end of the 2015 legislative session to make significant progress on a funding plan. While the funding issues are paramount to the Court, this time frame provides a unique opportunity to reflect on what our kids really need from our public education system to succeed.

While we have made progress in improving the K–12 system, we have not changed the way we think about what a basic education entails. A child’s education should be a continuum with seamless transitions. Our state’s approach to providing that education is hamstrung by silos, bureaucratic fights, politics, and battles pitting different parts of that child’s education against each other.

The League of Education Voters (LEV) endorsed the re-definition of basic education developed by our Legislature in 2009 (it includes smaller class size, full-day kindergarten, transportation, materials, and supplies) upon which McCleary is based, but we also advocated, based on our leadership and support for Initiatives 728 and 884, that the definition should include early learning and higher education.

A new definition of basic education must address one of the critical and more pernicious challenges we face statewide: a growing achievement gap between low-income kids, kids of color, and English Language Learners; and their white, more affluent counterparts. Too many kids, particularly low-income kids, arrive at kindergarten already behind. At the other end of the education spectrum, all data point to the need for a postsecondary degree or certificate in preparation for the jobs of today and tomorrow.

“A child’s education should be a continuum with seamless transitions.”
We know there is no single policy solution that will close the opportunity and achievement gaps for Washington students.

We believe the pathway to providing a high-quality public education for all students begins with identifying and funding what works.

For the League of Education Voters, this requires a new definition of basic education, which includes early learning, strategic investments in teacher compensation and professional learning, and at least two years of post-secondary education for each Washington student. We can and must do better for Washington’s students.

LEV’s vision for an expanded definition of basic education is aspirational, yet achievable, and will spark change in Washington state’s investment in the public education system. This vision ensures all students in Washington have access to a high-quality public education required by our state’s Constitution.

In order to achieve that vision, Washington’s basic education system must:

- **Prioritize** students and their learning
- **Invest** in proven strategies to close the opportunity and achievement gaps
- **Recognize** that students who need more support to reach high standards should get more support
- **Establish** a stable salary system and program of professional learning that helps attract and retain the best teachers and administrators while providing opportunities for growth and improvement
- **Embrace** rigorous and relevant learning opportunities for all
- **Acknowledge** the importance, and necessity, of involving parents and caregivers
- **Guarantee** that the quality of a student’s education is not determined by his or her ZIP code

If we are to prepare all kids for success, it is critical that our investment priorities are proven effective at closing systemic opportunity and achievement gaps. Funding for public education in our state must include substantial resources focused on addressing and ultimately eliminating these gaps in academic outcomes.
EARLY LEARNING

One of the best economic investments we can make for our state

What We Know

Early learning begins at birth. We know that the majority of a child’s brain development takes place during the first three years of their life. During this significant developmental time, some children and their families need extra support. This is why the League of Education Voters supports home visiting programs, high-quality childcare, and nutrition programs to ensure these kids get a good start in life.

We also know that between ages three and seven is a unique time in the development of a child and the needs of families. During this time, many parents return to the workforce and families begin to look for preschool or childcare options. At this important milestone, it is critical that children continue their social, emotional, and cognitive development to ensure their ultimate academic success.

Given the dramatic increase of families in need and the science about the critical nature of this time period in a child’s life, LEV is focused on ensuring access to high-quality preschool and increased alignment with the K–12 system.

Many studies show that children in high-quality early learning programs are more prepared for kindergarten, more likely to graduate high school, healthier, more likely to be employed, and report higher income. They are also less likely to repeat grades, be placed in special education, be involved in the juvenile justice system, and commit crimes as adults. High-quality early learning is one of the best ways to close the opportunity and achievement gaps, which are already present by the beginning of kindergarten. Much of high-quality early learning focuses on the social and emotional learning that is so vital throughout a child’s life.

Early learning benefits add up to savings for school districts, taxpayers, and the state. In some cases, school districts save approximately $3,700 for each low-income child or child with risk factors who receives early learning. There is an additional $1,000 of savings per child in costs outside of school like healthcare, drug prevention, and criminal justice.²

Children furthest from opportunity who do not have access to high-quality early learning experiences are 40 percent more likely to repeat a grade, 29 percent more likely to drop out of school, 41 percent more likely to be placed in special education, and 40 percent more likely to be incarcerated as adults.³

Children in high-quality early learning programs are more prepared for kindergarten, more likely to graduate high school, healthier, more likely to be employed, and report higher income.
During the 2015 legislative session, policymakers must pass the bi-partisan Early Start Act.

education, 60 percent more likely to never attend college, 33 percent more likely to be arrested as a juvenile, and 42 percent more likely to be arrested for a violent crime, all of which require costly state resources.³ It is important to note that while high-quality early learning has clearly shown benefits, it is essential that children transition from these programs into high-quality schools in order to maintain their growth.

A Way Forward

Thanks to McCleary, the state has made progress toward funding two important components of high-quality early learning. Approximately 44 percent of kindergarten students are enrolled in full-day kindergarten paid for by the state. Fulfilling implementation of full-day kindergarten, per McCleary, will require an additional $174 million annually. The state is also making progress toward lowering class size for students in grades K–3. The state has prioritized lowering class sizes in these grades, beginning with schools that have a majority of low-income students. Fully funding K–3 class-size reduction, per McCleary, will cost the state an additional $573 million a year.

We must also build on our recent success in expanding the state’s preschool program (Early Childhood Education and Assistance Program, or ECEAP). This begins with fully funding ECEAP by the 2018 implementation deadline (an annual cost of $96 million), but that will still leave many children unserved. For a yearly investment of an additional $227 million, the state could extend eligibility to provide
high-quality preschool to the 30,000 low-income Washington students not yet served.4

Lastly, during the 2015 legislative session, policymakers must pass the bi-partisan Early Start Act, which aims to increase the quality of childcare and preschool programs for low-income families in Washington through a combination of incentives and provider requirements. The Early Start Act creates tiered reimbursements, enhanced coaching and mentoring, and improves financial stability for early learning providers. Implementation of the Early Start Act is estimated at $100 million a year.

A WAY FORWARD

| $100 M   | Early Start (New annual investment) |
| $227 M   | Expand ECEAP (New annual investment) |
| $96 M    | Fully fund ECEAP (Previous commitment) |
| $174 M   | Full-day kindergarten (McCleary commitment) |
| $573 M   | K–3 class-size reduction (McCleary commitment) |
| $327 M   | TOTAL NEW INVESTMENT PER YEAR |
| $1.17 B  | TOTAL PER YEAR |
| $2.34 B  | TOTAL PER BIENNIAL ($654M new investment) |
K–12 EDUCATION
Excellent instruction is a key to student success

What We Know
The research is clear: teachers make the biggest school-based difference in a child’s education. In addition, effective school leadership plays a significant role in the academic results of students building-wide. Changes to the way we prepare, recruit, and retain highly effective teachers and leaders are necessary to close gaps and improve outcomes for all kids. Currently, about half of Washington’s new teachers will not be teaching within five years.

Teacher Compensation
In Washington, starting base pay for beginning teachers is $34,048. Changes to our state’s compensation system are necessary to attract, retain, and reward quality teaching. Our current system pays too little for starting teachers, is results-blind, and is too focused on time served and degrees earned rather than the difficulty of the job, student growth, and career ladders.

Increasing starting salaries for the 2,200 new teachers that entered the workforce in 2013–2014 from the current base pay of $34,048 to the $48,687 recommended by the Compensation Technical Working Group would require an additional investment of $32.2 million a year. Ideally, that compensation would reflect an extended contract that more accurately remunerates the amount of time teachers dedicate to their students outside of the school day or year. This will allow for expanded high-quality, job-aligned professional learning, team collaboration, and planning. Rather than scheduling sporadic...
We must end the piecemeal approach to paying our teachers.

half days that interrupt learning and leave parents scrambling for childcare, professional learning should ideally be conducted both prior to and after the school year. Ten additional days of professional learning for Washington’s teachers will cost $200 million a year. However, additional time and money alone will not change outcomes for kids. Time used well and results-oriented compensation can.

Washington has adopted many major systemic improvements that have recently been implemented or are in the midst of implementation, including the Teacher and Principal Evaluation Program (TPEP); state intervention in persistently failing schools; statewide indicators of educational health, requiring that districts select from a menu of best practices to spend Learning Assistance Program (LAP) dollars; creation of a statewide achievement and accountability index; new college- and career-ready high school graduation requirements; as well as roll-out of the Common Core State Standards and aligned assessments and Next Generation Science Standards.

Policy Implementation

Unfortunately, our state has a history of investing little to no resources in putting policy into practice. The “unfunded mandate” results in uneven implementation, varied quality, and unnecessary shuffling of resources by districts to pay for adequate training and implementation. To ensure that systemic policy changes are implemented with fidelity and that teacher and principals receive adequate support, LEV proposes the state create an Implementation Fund to assist the implementation of statewide changes. As the bulk of implementation costs are tied up in professional learning, the Implementation Fund would work in tandem with the 10 days of professional learning for certificated staff to furnish the needed resources to ensure high-quality implementation.
**WHAT WILL IT COST?**

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<th>Cost</th>
<th>Description</th>
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<td>$200 M</td>
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<td>New annual investment</td>
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<tr>
<td>$20 M</td>
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<tr>
<td>$780 M</td>
<td>State-funded teacher compensation</td>
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</tr>
<tr>
<td>$428 M</td>
<td>Materials, Supplies, Operating Costs</td>
<td>McCleary commitment</td>
</tr>
</tbody>
</table>

**$1 B** TOTAL NEW INVESTMENT PER YEAR  
**$1.43 B** TOTAL PER YEAR  
**$2.86 B** TOTAL PER BIENNium ($2B new investment)

As a starting point, we suggest that 10 percent ($20 million) of the proposed $200 million K–12 professional learning budget be reserved for implementation.

**A Way Forward**

Lastly, we must end the piecemeal approach to paying our teachers. While the state has been shirking this duty, districts have been forced to go without or underwrite basic education costs, including compensation, from local levy funding when able. Not only is this unconstitutional, it injects animosity across districts as teachers and administrators are left to wrangle over how to deliver the best education for our kids without the resources to do it. By assuming this obligation, the state will make salary increases more uniform statewide, facilitating more equitable compensation for teachers from district to district and freeing up local levy funding for supplemental program costs. A 2012 report determined this would cost $780 million a year.

"Additional time and money alone will not change outcomes for kids. Time used well and results-oriented compensation can."
The national average compensation bump for Master’s degrees is 9 percent; in Washington state it is 21 percent.

Inadequate training programs, coupled with incentives for degrees that have little to no impact on kids’ achievement, is not the kind of teacher-talent pipeline our kids need.

Cultural Competency
The demographics of the teaching force have not kept up with the changing demographics of the students it serves. Less than 10 percent of educators are people of color while over 40 percent of pupils are students of color.

The more than 160 languages spoken by Washington students are illustrative of the degree of cultural diversity in schools throughout the state. More than 1 in 5 schools in Washington have 10 percent or more students enrolled in the Transitional Bilingual Instructional Program.

Despite the high and growing need for teachers who can teach ELL students, just over 300 teachers graduated with an ELL endorsement in 2013 from a Washington state university teacher-credentialing program.

The teacher workforce needs better preparation to provide the best instruction possible for students with varying degrees of English proficiency and such diverse backgrounds.

Students of color, low-income students, and students receiving special education services are underrepresented in advanced courses, overrepresented in disciplinary actions, and generally have not had the same levels of achievement as other groups.

Culturally responsive instruction, social-emotional learning, academic acceleration, and
access to the most effective teachers are all promising, cost-effective approaches to closing some of these gaps with research behind them.

**Professional Learning and Evaluation**

Changes to the way we evaluate our principals, coupled with the state’s new accountability system, have put more emphasis on principals as instructional leaders and coaches, yet they have limited authority to create the teams necessary for success. Principals are accountable for building-wide results but receive no state funds for building-aligned professional learning.

In addition, principals should be able to recommend, if not require, professional learning that is aligned to teachers’ or teaching staff’s individual needs based on their evaluations. Often, however, the time, place, and nature of professional learning are dictated by the local collective bargaining agreement.

While improving teaching effectiveness is a primary goal, removing ineffective teachers is still a necessary component to building a highly effective team. Yet, the process to remove teachers can take upwards of three years, and once gone, their replacements may not be chosen by the principal and building leadership teams, but by district human resource offices bound to hire from displacement pools. To recruit the right talent to schools and align teams to a shared school culture, principals and their hiring teams should be able to “open hire” without requirements to hire from the displacement pool first. Every school has its own unique culture and needs, and we should allow them to try and meet those needs as best they can.
POSTSECONDARY EDUCATION
A necessary step to ensure success for all Washington students

What We Know
Whether a student wants to work in healthcare, manufacturing, aerospace, or in any other industry, a degree or credential beyond high school is becoming less of a luxury and more of a necessity. Two-thirds of Washington jobs in just four years will require some sort of postsecondary degree. There are 25,000 unfilled jobs in Washington because of the job skills gap.

The Washington Student Achievement Council reports that by 2021, our state must boost degree completion by 25 percent in order to address our state’s skills gap.

Graduates with a postsecondary education tend to earn significantly more than those with only a high school education and fare better in economic downturns. Postsecondary education also helps the economy at large.

Adding one year of schooling to the average educational attainment of employed workers with at least a high school diploma is associated with an increase in real gross domestic product (GDP) of more than 17 percent per capita.

It also helps workers, who each receive an increase in real wages of nearly 18 percent.

In Washington, this means that, on average, for every year of postsecondary educational attainment, an individual’s annual earning potential increases by $8,500.

Yet, the cost of higher education for Washington students increased every year from 2008 to 2012 for both two- and four-year institutions, despite universities lowering their overall operating expenses. In 2008, the state paid, on average, 55 percent of the cost of education at public four-year universities. By 2012, the state only contributed an average of 32 percent of the cost of education.

A Way Forward
As it becomes more and more expensive to obtain a

The Washington Student Achievement Council reports that by 2021, our state must boost degree completion by 25% in order to address our state’s skills gap.
postsecondary education, we believe the state must increase its responsibility to help all students afford to study for a postsecondary degree or credential.

Our state invests in a number of programs to help low- and middle-income students attend postsecondary institutions. The State Need Grant (SNG) is a financial aid program for low-income Washington residents seeking postsecondary education or training. This program is $123 million underfunded each year, which means that 34,000 eligible students are not being served.

The College Bound Scholarship Program provides scholarships for 7th and 8th grade students who are low-income or in foster care. While the first cohort of College Bound Scholars just entered college in fall of 2012, there are already encouraging results. According to survey results, enrollment in the College Bound Scholarship program had a positive impact on students’ decision to graduate from high school, maintain higher GPAs, and take advanced classes in high school. Of students enrolling in higher education, College Bound students are almost 50 percent more likely to attend a four-year college than low-income students statewide. Though the state has fulfilled its financial duty to fund College Bound Scholarships up to this point, the state must sustain that commitment as the number of students enrolled in College Bound increases.

We must build on the success of the College Bound Program. The definition of basic education must include at least two years of postsecondary education. By investing an additional $127 million a year, we can provide full tuition support and a book allowance for each low-income Washington high school graduate with two years of postsecondary education at a two- or four-year institution. By taking this bold step, we will deliver on the promise of our state’s constitution to provide an ample education for each Washington student.

| $127 M | Tuition and books for every low-income Washington high school graduate (New annual investment) |
| $123 M | Fully fund State Need Grant (Previous commitment) |
| $127 M | TOTAL NEW INVESTMENT PER YEAR |
| $250 M | TOTAL PER YEAR |
| $500 M | TOTAL PER BIENNIAL ($252M new investment) |
There are numerous ways to achieve ample, equitable, and sustainable funding for public education. To fund the League of Education Voters’ vision of an education continuum, it is going to take more than minor tweaks to our current funding system. Instead, we must overhaul how we fund public education in our state. It won’t be easy. But if it was easy, we would have done it long ago. To be successful will require us to think differently about the investment we make to support education and prepare each of our state’s students for the jobs of the future.

Below are three well-discussed ideas. The list is by no means exhaustive and should not be interpreted to preclude other options.

**State property tax reform**
State property tax reform would shift more responsibility for revenue collection to the state by uniformly increasing state property taxes, while reducing the local property taxes established through the passage of school levies. This would ensure a more reliable revenue stream for all schools, with more consistent funds over time and more equitable distribution.

**Prioritizing education spending**
Education is the state’s “paramount duty.” This approach seeks to increase the percentage of education spending as it relates to overall spending. Wherever possible, and without harming critical investments in social services and public safety, education investment should be the priority for state dollars.

**New revenue**
Washington does not currently raise sufficient tax revenues to fully fund an effective education system and maintain funding for existing government services. Our state is also often cited as one of the most regressive tax structures in the country. In order to continue funding essential services and meet our constitutional duty, the state should reform its tax code to generate additional tax revenue, reduce the regressive nature of the current system, and put the state on the path to fully funding public education.

“We must overhaul how we fund public education in our state. It won’t be easy. But if it was easy, we would have done it long ago.”
Washington state has the people, resources, and innovative spirit to create the best public education system in the world, but it’s going to take tough decisions from each of us to make it a reality. During 2015, the League of Education Voters is engaging policymakers, community members, parents, and educators across the state to discuss our vision for a high-quality public education system from cradle to career.

We invite you to join us.
ADDENDUM

WHAT WILL IT COST?
Cost estimates for an enhanced P–16 education continuum

The following pages provide additional information about our cost estimates for an enhanced P–16 education continuum.

EARLY LEARNING

The Early Start Act:
- Establishes a tiered reimbursement system for providers to incentivize high-quality early learning.
- Provides resources for early learning providers to enhance the quality of their instruction.
- Increases the slot reimbursement rate to enable providers to hire high-quality early learning instructors.

Early Start will cost approximately $50 million per year.

Improved access to high-quality preschool:
- Would increase the amount of funded slots through the Early Childhood Education and Assistance Program (ECEAP), which provides low-income parents the option of enrolling their child in high-quality preschool.
- Would provide funding for an additional 30,000 low-income children, beyond current phase-in plan, to enroll in preschool.
- Eligibility would be expanded from the current eligibility threshold of families within 110% of the federal poverty level to allow families below 185% of the federal poverty level to participate in the program. (This is the same eligibility threshold as the Free and Reduced Price Meals program.)
- Using expected participation rates of approximately 70% an estimated 30,000 more students would participate in ECEAP due to the change.

The cost per ECEAP slot will be $7,579. This program would cost approximately $227 million annually.

K–12 EDUCATION

Implementing Existing Law:
- The state needs an additional $174 million annually to achieve full-implementation of full-day kindergarten.
- The state needs an additional $573 million annually to fully fund K–3 class size reduction.
- The state needs an additional $428 million annually to fully fund Materials, Supplies, and Operating Costs (MSOC).
Implementation Fund

A major cost to implementation is professional learning to help K–12 staff to adapt to the impending changes. If the state were to provide 10 days of professional learning a year, as proposed, that allocation could pay for the professional learning component of the Implementation Fund. Additional funds would still be needed to pay for the production of materials, hiring of consultants, or any additional non-professional learning related costs. 10 percent of state K–12 professional learning expenditures will be dedicated annually to the Implementation Fund to assist districts in implementing changes passed by the state legislature. This would cost approximately $20 million annually in support.

Teacher Compensation

In the Compensation Technical Work Group’s 2012 report they determined that local school districts were using $780 million in local funds to supplement basic education employee salaries. The state does not provide adequate salary allocations to districts to enable them to pay a sufficient salary to hire and retain administrators, teachers, and support staff. Districts are then forced to use local levy money to make up for the lack of adequate salary allocations by the state.

- To increase starting salary for the 2,200 new teachers that entered the workforce in 2013–14 from the current amount of $34,048 for beginning teachers to the $48,687 recommend in the Compensation Technical Working Group it would cost $32.2 million .

Professional Learning

The state should fund 10 days of professional learning for all state funded certificated instructional staff.

- This proposal would cost approximately $200 million annually.
- This would provide professional learning to classroom teachers, librarians, counselors, nurses, psychologists, and social workers.
- Costs estimates were taken from the fiscal note for SB 6161 (2014).
POSTSECONDARY EDUCATION

Provides up to two-years of tuition support to low-income, recent high school graduates who attend a two- or four-year institution.

- Students are eligible to receive tuition support equivalent to two-years of full-time tuition support.
- Each community or technical college student will receive $4,467 per year. This includes tuition support and a $500 book allowance. (Same amount as College Bound Scholarship.)
- Each student enrolled in a four-year institution will receive an average of $10,627. This will be enough to cover tuition and fees and a $500 book allowance.
- The tuition support amount was determined by using a weighted average that took into account current State Need Grant postsecondary enrollment patterns and current College Bound Scholarship award amounts.
  - This is not a retroactive policy; this will go into effect for the first graduating class after passage.
  - This proposal would provide the full tuition cost and a book allowance for all eligible students. The cost estimates do not factor in a sliding scale. For purposes of cost estimates, all students who qualify would get the same award amount.
  - Assuming State Need Grant is fully funded, the cost to provide these financial aid enhancements would be an additional $127 million annually above the shortfall for State Need Grant.
  - State Need Grant is currently underfunded by $123 million annually.
  - The cost projections assume a 25 percent increase in postsecondary attendance for low-income, recent high school graduates, from 48 to 73 percent, while holding constant current higher education enrollment patterns.
  - The 73 percent postsecondary attendance rate is the same as the targets identified in the King County Road Map Project.
  - The current average unmet need for State Need Grant recipients is 23 percent of the cost of education. Further, the average State Need Grant recipient covers 18 percent of their educational costs through federal education loans.

The cost estimates for low-income students (below) assume all income-eligible students will receive the full award amount. Current State Need Grant policy has tiered support depending on family income. This proposal would eliminate the tiered system and make all qualifying students eligible for the full award amount. Additionally, State Need Grant awards are reduced depending on how much other aid, mainly Pell Grant, was received by the student. This calculation makes the current State Need Grant funding complete in the sense that all tuition is covered regardless of other financial aid sources.

COSTS ASSUMING FULL STATE NEED GRANT SUPPORT

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<tr>
<th>Institution type</th>
<th>New eligible low-income students per year</th>
<th>Cost per annual cohort</th>
<th>Annual cost at full implementation</th>
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<tr>
<td>Four-year</td>
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<tr>
<td>Total</td>
<td>19,335</td>
<td>$63 M</td>
<td>$127 M</td>
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ENDNOTES


4. The ECEAP expansion would make more children eligible to participate by increasing the income eligibility threshold from 110% of federal poverty to 185% of federal poverty. This estimate assumes a per ECEAP slot cost of $7,579 and an additional 30,000 students being served.


25. Calculation assumes a fully-funded State Need Grant program that reflects the same formula as the College Bound Scholarship Program. The state would cover the full costs of tuition plus a book allowance for all low-income and fostered high school graduates enrolling in postsecondary. Each State Need Grant student attending a community or technical college would receive $4,467 per year. This includes tuition support and a $500 book allowance. Each State Need Grant student enrolled in a four-year institution would receive an average of $10,627 for tuition and books.
Our vision is that every student in Washington state has access to an excellent public education that provides the opportunity for success.

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The League of Education Voters was founded in 2001 by Washingtonians to support a public education system that provides all students an equal opportunity for success from cradle to career.