



REPEALING I-728, GRADING TEACHERS, AND OTHER 2012 EDUCATION REFORMS

BRIEFLY

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Early in the morning of April 11, during the hours-long second special session, the legislature approved a second 2012 supplemental budget, erasing what remained of the 2011–13 shortfall. (For more information on the supplemental, see our brief, [*Legislature Closes the 2011–13 Budget Gap, At Last.*](#)) A key education reform—repeal of Initiative 728—was passed as part of the final budget compromise, and other reforms, including strengthened evaluations for teachers and principals, were passed during the regular session.

Repealing I-728 and Making a Basic Education Funding Plan

HB 2824 (passed by the legislature April 10 and scheduled to be acted on by the governor May 2) repeals I-728, the class size reduction initiative adopted in 2000. In a January brief, [*The Drag of Unfunded Commitments*](#), we described the initiative and the legislature’s habit of suspending it (when funds were unavailable) instead of simply repealing it. We recommended that I-728 be repealed on education and fiscal policy grounds.

The fiscal note for the bill estimates that repealing I-728 will save the state \$914 million in 2013–15 and \$1.069 billion in 2015–17. As we wrote in January, “When a program is simply suspended in one biennium, it is included in the maintenance level of the budget for the next biennium, inflating the problem that must be solved in the out years.” Repealing I-728 is a positive step. Not only does it lower the baseline for 2013–15, it allows the state to focus on funding basic education.

Legislation in 2009 and 2010 changed the definition of basic education and set up new funding formulas for it. In its *McCleary* decision, the state Supreme Court found that the state was not meeting its “paramount duty” to provide ample funding for basic

education. Funding basic education in 2013–15 is estimated to cost about \$1 billion. It was widely expected that lawmakers would have, once again, suspended the I-728 requirement for the biennium in order to focus on basic education funding. Repealing the unfunded mandate of I-728 now establishes a more realistic budget framework for the next biennium and beyond.

To meet the requirements of the 2009 and 2010 laws, HB 2824 also creates a joint task force on education funding to “develop and recommend options for a permanent funding mechanism” for basic education programs. These must include, at least, full-day kindergarten; reduced K-3 class sizes; increased allocations for maintenance, supplies and operating costs; and a new pupil transportation formula. The bill specifies that if the task force does not recommend new revenues, it must “identify what areas already in the budget would be eliminated or reduced.”

Certificated Employee Evaluations

During the regular session this year, ESSB 5895, which enhances the evaluation system for certificated education employees, was enacted. Legislation in 2010 established eight evaluation criteria for teachers and principals. ESSB 5895 adds that “student growth data must be a substantial factor in evaluating the summative performance of certificated classroom teachers [and principals] for at least three of the evaluation criteria listed.”

The 2010 legislation also created a four-level rating system for teachers and principals. ESSB 5895 names the levels “unsatisfactory,” “basic,” “proficient,” and “distinguished.” Teachers and principals will receive a performance rating for each of the eight criteria, and one of the ratings for overall performance.

Classroom teachers will be placed on probation if they receive a comprehensive sum-

mative evaluation performance rating of “unsatisfactory” or, in certain cases, “basic.” If a continuing contract employee has at least five years of experience and receives a comprehensive summative evaluation performance rating below “basic” for two consecutive years, the school district must “implement the employee notification of discharge.”

Some teachers and principals will be transitioned into the new evaluation system by school year (SY) 2013–14; the new evaluation system will be used for all teachers and principals by SY 2015–16. Certain employees must be moved to the new systems in SY 2013–14, including classroom teachers and principals in their first three years of employment and those on probation.

The bill specifies that beginning in SY 2015–16, “evaluation results for certificated classroom teachers and principals must be used as one of multiple factors in making human resource and personnel decisions;” but, that does not limit “the ability to collectively bargain how the multiple factors shall be used in making human resource or personnel decisions, with the exception that evaluation results must be a factor.” Education reform advocates have expressed concern that incorporating the evaluation results in the collective bargaining process may have the effect of weakening their utility and lead to varying standards around the state.

Other Policy Changes Enacted During the Regular Session

- ESHB 2586 modifies the Washington kindergarten inventory of developing skills (WaKIDS). WaKIDS was the result of 2009 legislation to “identify the skills, knowledge, and characteristics of kindergarten students at the beginning of the school year.” Beginning with SY 2012–13, WaKIDS must be administered to all students in state-supported full-day kindergarten. A work group is formed under the bill to make recommendations on implementation and the best way to administer the inventory. The bill allows for the appropriation of funds to provide implementation grants to schools.
- HB 2799 creates a collaborative schools for innovation and success pilot project, which will be run by school districts in partnership with colleges of education. The purpose of the project is to develop and implement research-based models of instruction that improve student learning in low-performing schools and research-

based models of educator preparation that provide educators with skills aligning with the needs of students in low-performing schools. Elementary schools that are among the lowest-achieving in the district must be chosen for the pilots, and up to six schools will be chosen by August 1, 2012. Three of the schools will receive grants to develop and implement “an innovation and success plan.” Approved plans will be implemented over a five year period beginning in SY 2013–14.

- 3SHB 2585 aims to increase efficiencies in higher education. Under the bill, institutions of higher education will be allowed to pay up to 60 months (instead of 12 months) in advance for equipment maintenance services; may require wages to be paid by direct deposit; may make travel arrangements without regard to competitive contracting requirements (but “in the most cost-effective and efficient manner possible”); and will need to use competitive bidding for purchases or personal service contracts only when they exceed \$100,000 (higher than under prior law). Additionally, while local operating fee accounts will still not be subject to appropriation, now they will be subject to allotment procedures. When agencies “make expenditures from both appropriated and nonappropriated funds for the same purpose,” they must charge those expenditures such that they conserve appropriated funds. Institutions of higher education were exempt from that requirement until 2011, when they were subjected to it for the 2011–13 biennium. This bill makes the change permanent, but only for operating fee accounts.
- 2011 legislation abolished the Higher Education Coordinating Board (HECB) and replaced it with the Council for Higher Education as of July 1, 2012. ESSHB 2483 moves ahead with the abolition of the HECB, but it creates the Student Achievement Council instead of the Council for Higher Education.

Discussion

As we noted in our brief on the supplemental, the state Supreme Court’s January decision in *McCleary v. State of Washington* (that the state has not met its constitutional obligation to provide basic education) remains to be addressed. Still, the legislature made progress this year by eliminating I-728, a program that had monopolized availa-

ble education funding.

Some reforms did not make it through the legislative process. Initiative 732, the teacher salary initiative approved in 2000, which we have also recommended be repealed, remains on the books. It is similar to I-728 in its propensity to be suspended and its role in crowding out basic education funding. Additionally, a bill that would have allowed charter schools was in play during the budget negotiations, but was ultimately not adopted.

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