PSHB 1057

By Representative Alexander

Summary

March 14, 2013

Summary of Proposed Substitute House Bill 1057 (H-2057)

By Rep. Alexander

Overview

Proposed Substitute House Bill (PSHB) 1057 by Representative Alexander makes appropriations for K-12 public schools for the 2013-15 biennium and adjusts appropriations for the 2011-13 biennium.

K-12 Public Schools (Near General Fund-State + Opportunity Pathways)

For the 2013-15 biennium, total policy level increases are $903 million and total policy level reductions are $347 million, for a net policy level change of $556 million. The policy level increases include:

- $302 million for K-3 class size reductions. Currently K-3 class sizes are 25.2 for non-high poverty schools and 24.1 for high poverty schools. For the 2013-14 school year, K-3 class sizes are reduced to 23.2 for non-high poverty schools and 22.3 for high poverty schools. In the 2014-15 school year, class sizes are reduced to 21.1 and 20.6 respectively.
- $229 million to expand full day kindergarten to 61% of school districts in the 2013-14 school year, prioritizing high poverty districts, and to all school districts in the 2014-15 school year.
- $158 million for full implementation of increased instructional hours by the 2014-15 school year.
- $128 million for Materials, Supplies, and Operating Costs (MSOC).
- $33 million for K-12 dropout prevention (HB 1424).
- $11 million for health benefit rate adjustments.
- $10 million for transforming persistently failing schools (SB 5329).

Funding is also provided for, among other items, I-1240 (Charter Schools), increased levy equalization funding, a longitudinal data system, and a CTE correction.

PSHB 1057 includes the following policy reductions:

- $295 million in savings from suspending I-732 for the biennium.
- $27 million in savings from making changes to required assessments (SB 5587).
- $10 million savings from reducing hold harmless funding provided for the transition to the prototypical school funding model.
- $8 million savings from Alternative Learning Experience audit recoveries.

PSHB 1057 also makes 2013 supplemental adjustments to 2011-13 K-12 appropriations. In addition to maintenance level adjustments, the 2013 supplemental provides funding for I-1240 (Charter Schools) for fiscal year 2013.

Total NGF-S + Opportunity Pathways funding in PSHB 1057 for K-12 public schools in 2013-15 is $15.1 billion.

Appendix

Following this summary and agency/program detail on PSHB 1057 is an appendix that includes additional information. First is a chart that illustrates Rep. Alexander's proposed implementation of the enhancements required by House Bills 2261 and 2776 phased-in through 2018.

The last two pages of this document are balance sheets. PSHB 1057 is a K-12 public schools 2013-15 biennial budget and a 2013 supplemental budget proposal. The balance sheets illustrate what a complete biennial and supplemental budget would look like based on resource and expenditure assumptions made for the non-K-12 items by Rep. Alexander.

PSHB 1057

By Representative Alexander

K-12 Public Schools
2013-15 Agency/Program Detail

March 14, 2013

2013-15 Omnibus Operating Budget
Public Schools
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	271.8	13,647,219	15,620,413
2013-15 Maintenance Level	279.0	14,572,971	16,461,232
Policy Other Changes:			
1. CTE Technical Correction	0.0	20,397	20,397
2. Suspend National Board Inflation #	0.0	-3,128	-3,128
3. Additional Collaborative School	0.0	1,000	1,000
4. National Career Readiness Cert.	0.0	200	200
5. Charter Schools (Initiative 1240)	2.3	584	584
6. Audit Workload Increase	1.0	0	200
7. Levy Equalization	0.0	4,993	4,993
8. Longitudinal Data System	4.5	1,174	1,174
9. Expand Full Day Kindergarten *	0.0	228,943	228,943
10. Materials, Supplies, & Op. Costs	0.0	128,088	128,088
11. ALE Audit Recoveries	0.0	-8,225	-8,225
12. Reduce Early Elementary Class Size	0.0	301,947	301,947
13. Hold Harmless	0.0	-10,202	-10,202
14. Assessment Reforms	0.0	-26,607	-26,607
15. Increase Instructional Hours	0.0	157,985	157,985
16. K12 Dropout Prevention (HB 1424)	0.0	33,220	33,220
17. Troubled Youth in Schools (HB 1336)	0.0	138	138
18. Financial Ed Partnership (HB 1173)	0.0	8	8
19. State-Tribal Ed Compact (HB 1134)	0.0	132	132
20. Student Performance/Reading SB5237	0.0	375	375
21. Transform Failing Schools (SB 5329)	1.0	10,281	10,281
22. High School Acceleration	0.0	3,213	3,213
Policy -- Other Total	**8.8**	**844,516**	**844,716**
Policy Comp Changes:			

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
23. Health Benefit Rate Adjustments	0.0	10,718	10,718
24. Suspend I-732 COLA #	0.0	-295,382	-295,382
Policy -- Comp Total	**0.0**	**-284,664**	**-284,664**
Policy Transfer Changes:			
25. Alt Routes Conditional Loan Trans	-1.0	-3,972	-3,972
Policy -- Transfer Total	**-1.0**	**-3,972**	**-3,972**
Total Policy Changes	**7.8**	**555,880**	**556,080**
Total 2013-15 Biennium	**286.8**	**15,128,851**	**17,017,312**

Comments:

1. CTE Technical Correction - A technical correction is made for the "Other CIS" funding ratio for career and technical programs (CTE) for middle schools, high schools and skills center programs. CTE staffing allocations should be funded at the same basic education rates outlined in SHB 2776 consistent with all other programs. The current funding rate of "Other CIS" is 2.02 per 1,000 student FTE for CTE vocational programs and 2.36 per 1,000 student FTE for skills center programs; the rate should be 4.25 per 1,000 student FTE as it is for a basic education student.

2. Suspend National Board Inflation # - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from $5,090 to $5,505. This requirement is suspended for the 2013-15 biennium and the bonus will remain at $5,090.

3. Additional Collaborative School - Funding of $500,000 per year is provided for an additional Collaborative School for Innovation and Success, as authorized by Chapter 53, Laws of 2012. The base budget provides

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

funding for three schools and this funding expands the pilot program to four. The purposes of the pilots is for colleges of education and school districts to develop and implement research-based models of: 1) instruction to close the opportunity gap and improve student learning in low-performing schools; and 2) educator preparation and professional development proven to build an educator workforce with the knowledge, skills, and background to serve students in low-performing schools. Funding will support a collaborative school selected, but not funded, for participation in the pilot program during 2012.

4. National Career Readiness Cert. - Funding is provided to the Office of the Superintendent of Public Instruction to defray the cost of national career readiness certification testing for the state's graduates of the 50 aerospace assembly and advanced manufacturing high school and skill center programs. An estimated 2,500 students statewide will benefit each year. The estimated cost for each exam is $36.00

5. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to forty publicly-funded charter schools in Washington State over a period of five years. Funding is provided for additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

6. Audit Workload Increase - One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audits of Government Account- State)

7. Levy Equalization - The 2013-15 biennial budget increases state funding allocations for full-day kindergarten, class size reduction, pupil transportation, and maintenance, supplies, and operating costs. Corresponding adjustments are made to districts' levy base and the per-pupil inflator. The per-pupil inflator is

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

set at 6.2 percent for the 2013-14 school year and 0.4 percent for the 2014-15 school year. These changes increase school district levy authority, which results in increased levy equalization payments.

8. Longitudinal Data System - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, OSPI was awarded a $5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding will allow for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K- 12 SLDS and the Student Record Exchange system.

9. Expand Full Day Kindergarten * - Allocations for statewide voluntary full day kindergarten programs are increased from 22% of kindergarten enrollment in SY 2012-13 to 61% of kindergarten enrollment in SY 2013-14. In SY 2014-15, funding is sufficient to fund full statewide implementation of voluntary all day kindergarten.

10. Materials, Supplies, & Op. Costs - Allocations for Materials, Supplies & Operating Costs (MSOC) are increased above maintenance level in the 2014-15 school year from $571.33 per full time equivalent student to $716.16 per full time equivalent student. The MSOC allocation required by RCW 28A.150.260(8)(b) is revised to reflect actual audited expenditures by school districts, as reported by the Office of the Superintendent of Public Instruction. The allocation in the 2014-15 school year achieves 29% of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values.

11. ALE Audit Recoveries - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. One-time adjustment in assumptions for audit recoveries is assumed based on the scope and size of the audit findings, adjusted by the historical ratio of SAO audit findings to OSPI audit resolution recoveries for the ALE programs.

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

12. Reduce Early Elementary Class Size - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. Included in the new formulas was a reduction in class sizes for grades kindergarten through three. Allocations provided in SY 2013-14 reduce class size for grades kindergarten through three from 25.23 full-time equivalent students (FTEs) to 23.17 (FTEs). Schools with high poverty students, those with more than 50% of students qualifying for free and reduced price lunch, are reduced from 24.10 FTEs to 22.33 FTEs. SY 2014- 15 allocations include additional reductions in class size, lowering class sizes to 21.12 for non-poverty schools and 20.55 for high poverty schools.

13. Hold Harmless - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The hold harmless is reduced in the 2014-15 school year.

14. Assessment Reforms - Savings are assumed, related to changes to required assessments as described in SB 5587

15. Increase Instructional Hours - Funding is provided to fund an increase in instructional hours to meet the requirement under 28A.150.220(2)(a). The additional hours are implemented at 50 percent of the requirement in the 2013-14 school year and fully implemented in the 2014-15 school year. In calculating the allocations it is assumed that an additional 1.111 hours of instruction is provided per full time equivalent student per week in the 2013-14 school year, and is increased to 2.2222 hours per week in the 2014-15 school year.

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

16. K12 Dropout Prevention (HB 1424) - Funds are provided to implement HB 1424, K-12 dropout prevention, excluding the provision that increases the allocation for reengaged students from a rate of 1.00 full-time equivalent student to 1.22 full-time equivalent student. HB 1424: requires OSPI to develop a system assessment tool for use by local partnerships of schools, families, and communities and continue development of a dropout prevention early warning and intervention system; Creates a program to allocate funds for graduation coaches for the most struggling high schools and school success coaches for associated elementary and middle schools; Adds dropout prevention, intervention and reengagement services to the basic core services to be provided by Educational Service districts including a corps of intervention specialists.

17. Troubled Youth in Schools (HB 1336) - Funds are provided to implement HB 1336, troubled youth in schools. HB 1336 adds educator training requirements and school planning requirements regarding youth emotional and behavioral distress, including suicide screening and referral. The bill also establishes a temporary task force to identify best practices for school districts to develop partnerships with community agencies to support youth in need.

18. Financial Ed Partnership (HB 1173) - Funds are provided to implement HB 1173, financial education public-private partnerships. The bill changes the structure of the Financial Education Public-Private Partnership and provides for reimbursement of substitute teacher and travel expenses related to the attendance of teachers who are members of the Partnership.

19. State-Tribal Ed Compact (HB 1134) - Funds are provided to implement HB 1134, state-tribal education compacts. One-time costs total $103,000 for reprogramming of the apportionment system. The remainder funds on-going work to adopt rules for the state-tribal education compacts and administration of the compact school application process.

20. Student Performance/Reading SB5237 - Funding is provided for the implementation of HB 5237.

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

21. Transform Failing Schools (SB 5329) - Transform Failing Schools (SB 5329) - Funds are provided for the implementation of SB 5329, transforming persistently failing schools. One staff person is funded on an ongoing bases, while $10 million in grants are provided for FY 2014 to be distributed to the 10 districts with the most persistently low-achieving schools; a $1 million dollar grant will be awarded to each of the 10 districts to help the schools improve and increase student performance.

22. High School Acceleration - Funding is provided for the implementation of SB 5243

23. Health Benefit Rate Adjustments - The funding rate for school employee health benefits is increased from $768 to $772 for school year 2013-14 and $775 for school year 2014- 15. (General Fund-State, various other funds)

24. Suspend I-732 COLA # - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

25. Alt Routes Conditional Loan Trans - Alternative certification routes are teacher training programs that serve as different options to traditional teacher preparation programs. The conditional loan component of the program is transferred to the Washington Student Achievement Council (WSAC), as specified by RCW 28A.660.050. The Professional Educator Standards Board (PESB) retains policy control over the program and selection of individuals receiving the conditional loans, consistent with Chapter 28A.660 RCW. Previously, the PESB and the WSAC did an annual interagency transfer to administer the conditional loan

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
component.			

2013-15 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	234.3	52,476	138,057
2013-15 Maintenance Level	238.5	55,728	129,881
Policy Other Changes:			
1. Additional Collaborative School	0.0	1,000	1,000
2. Charter Schools (Initiative 1240)	2.3	584	584
3. Audit Workload Increase	1.0	0	200
4. Longitudinal Data System	4.5	1,174	1,174
5. K12 Dropout Prevention (HB 1424)	0.0	13,839	13,839
6. Troubled Youth in Schools (HB 1336)	0.0	138	138
7. Financial Ed Partnership (HB 1173)	0.0	8	8
8. State-Tribal Ed Compact (HB 1134)	0.0	132	132
9. Student Performance/Reading SB5237	0.0	375	375
10. Transform Failing Schools (SB 5329)	1.0	10,281	10,281
Policy -- Other Total	**8.8**	**27,531**	**27,731**
Policy Transfer Changes:			
11. Alt Routes Conditional Loan Trans	-1.0	-3,972	-3,972
Policy -- Transfer Total	**-1.0**	**-3,972**	**-3,972**
Total Policy Changes	**7.8**	**23,559**	**23,759**
Total 2013-15 Biennium	**246.3**	**79,287**	**153,640**

Comments:

1. Additional Collaborative School - Funding of $500,000 per year is provided for an additional Collaborative School for Innovation and Success, as authorized by Chapter 53, Laws of 2012. The base budget provides funding for three schools and this funding expands the pilot program to four. The purposes of the pilots is for colleges of education and school districts to develop and implement research-based models of: 1) instruction to

	PSHB 1057 Rep. Alexander K-12		
	FTEs	NGF-P	Total

close the opportunity gap and improve student learning in low-performing schools; and 2) educator preparation and professional development proven to build an educator workforce with the knowledge, skills, and background to serve students in low-performing schools. Funding will support a collaborative school selected, but not funded, for participation in the pilot program during 2012.

2. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to forty publicly-funded charter schools in Washington State over a period of five years. Funding is provided for additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

3. Audit Workload Increase - One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audits of Government Account- State)

4. Longitudinal Data System - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, OSPI was awarded a $5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding will allow for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K- 12 SLDS and the Student Record Exchange system.

5. K12 Dropout Prevention (HB 1424) - Funds are provided to implement HB 1424, K-12 dropout prevention, excluding the provision that increases the allocation for reengaged students from a rate of 1.00 full-time equivalent student to 1.22 full-time equivalent student. HB 1424: requires OSPI to develop a system

	PSHB 1057 Rep. Alexander K-12		
	FTEs	NGF-P	Total

assessment tool for use by local partnerships of schools, families, and communities and continue development of a dropout prevention early warning and intervention system; Creates a program to allocate funds for graduation coaches for the most struggling high schools and school success coaches for associated elementary and middle schools; Adds dropout prevention, intervention and reengagement services to the basic core services to be provided by Educational Service districts including a corps of intervention specialists.

6. Troubled Youth in Schools (HB 1336) - Funds are provided to implement HB 1336, troubled youth in schools. HB 1336 adds educator training requirements and school planning requirements regarding youth emotional and behavioral distress, including suicide screening and referral. The bill also establishes a temporary task force to identify best practices for school districts to develop partnerships with community agencies to support youth in need.

7. Financial Ed Partnership (HB 1173) - Funds are provided to implement HB 1173, financial education public-private partnerships. The bill changes the structure of the Financial Education Public-Private Partnership and provides for reimbursement of substitute teacher and travel expenses related to the attendance of teachers who are members of the Partnership.

8. State-Tribal Ed Compact (HB 1134) - Funds are provided to implement HB 1134, state-tribal education compacts. One-time costs total $103,000 for reprogramming of the apportionment system. The remainder funds on-going work to adopt rules for the state-tribal education compacts and administration of the compact school application process.

9. Student Performance/Reading SB5237 - Funding is provided for the implementation of HB 5237.

10. Transform Failing Schools (SB 5329) - Transform Failing Schools (SB 5329) - Funds are provided for the

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

implementation of SB 5329, transforming persistently failing schools. One staff person is funded on an ongoing bases, while $10 million in grants are provided for FY 2014 to be distributed to the 10 districts with the most persistently low-achieving schools; a $1 million dollar grant will be awarded to each of the 10 districts to help the schools improve and increase student performance.

11. Alt Routes Conditional Loan Trans - Alternative certification routes are teacher training programs that serve as different options to traditional teacher preparation programs. The conditional loan component of the program is transferred to the Washington Student Achievement Council (WSAC), as specified by RCW 28A.660.050. The Professional Educator Standards Board (PESB) retains policy control over the program and selection of individuals receiving the conditional loans, consistent with Chapter 28A.660 RCW. Previously, the PESB and the WSAC did an annual interagency transfer to administer the conditional loan component.

2013-15 Omnibus Operating Budget
Public Schools
General Apportionment
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	NGF-P	Total
2011-13 Estimated Expenditures	0.0	10,412,087	10,434,414
2013-15 Maintenance Level	0.0	10,732,071	10,732,071
Policy Other Changes:			
1. CTE Technical Correction	0.0	20,379	20,379
2. Expand Full Day Kindergarten *	0.0	225,121	225,121
3. Materials, Supplies, & Op. Costs	0.0	112,845	112,845
4. ALE Audit Recoveries	0.0	-8,225	-8,225
5. Reduce Early Elementary Class Size	0.0	265,218	265,218
6. Hold Harmless	0.0	-10,202	-10,202
7. Increase Instructional Hours	0.0	140,955	140,955
8. K12 Dropout Prevention (HB 1424)	0.0	19,438	19,438
Policy -- Other Total	**0.0**	**765,529**	**765,529**
Total Policy Changes	**0.0**	**765,529**	**765,529**
Total 2013-15 Biennium	**0.0**	**11,497,600**	**11,497,600**

Comments:

1. CTE Technical Correction - A technical correction is made for the "Other CIS" funding ratio for career and technical programs (CTE) for middle schools, high schools and skills center programs. CTE staffing allocations should be funded at the same basic education rates outlined in SHB 2776 consistent with all other programs. The current funding rate of "Other CIS" is 2.02 per 1,000 student FTE for CTE vocational programs and 2.36 per 1,000 student FTE for skills center programs; the rate should be 4.25 per 1,000 student FTE as it is for a basic education student.

2. Expand Full Day Kindergarten * - Allocations for statewide voluntary full day kindergarten programs are increased from 22% of kindergarten enrollment in SY 2012-13 to 61% of kindergarten enrollment in SY

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

2013-14. In SY 2014-15, funding is sufficient to fund full statewide implementation of voluntary all day kindergarten.

3. Materials, Supplies, & Op. Costs - Allocations for Materials, Supplies & Operating Costs (MSOC) are increased above maintenance level in the 2014-15 school year from $571.33 per full time equivalent student to $716.16 per full time equivalent student. The MSOC allocation required by RCW 28A.150.260(8)(b) is revised to reflect actual audited expenditures by school districts, as reported by the Office of the Superintendent of Public Instruction. The allocation in the 2014-15 school year achieves 29% of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values.

4. ALE Audit Recoveries - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. One-time adjustment in assumptions for audit recoveries is assumed based on the scope and size of the audit findings, adjusted by the historical ratio of SAO audit findings to OSPI audit resolution recoveries for the ALE programs.

5. Reduce Early Elementary Class Size - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. Included in the new formulas was a reduction in class sizes for grades kindergarten through three. Allocations provided in SY 2013-14 reduce class size for grades kindergarten through three from 25.23 full-time equivalent students (FTEs) to 23.17 (FTEs). Schools with high poverty students, those with more than 50% of students qualifying for free and reduced price lunch, are reduced from 24.10 FTEs to 22.33 FTEs. SY 2014- 15 allocations include additional reductions in class size, lowering class sizes to 21.12 for non-poverty schools and 20.55 for high poverty schools.

6. Hold Harmless - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The hold harmless is reduced in the 2014-15 school year.

7. Increase Instructional Hours - Funding is provided to fund an increase in instructional hours to meet the requirement under 28A.150.220(2)(a). The additional hours are implemented at 50 percent of the requirement in the 2013-14 school year and fully implemented in the 2014-15 school year. In calculating the allocations it is assumed that an additional 1.111 hours of instruction is provided per full time equivalent student per week in the 2013-14 school year, and is increased to 2.2222 hours per week in the 2014-15 school year.

8. K12 Dropout Prevention (HB 1424) - Funds are provided to implement HB 1424, K-12 dropout prevention, excluding the provision that increases the allocation for reengaged students from a rate of 1.00 full-time equivalent student to 1.22 full-time equivalent student. HB 1424: requires OSPI to develop a system assessment tool for use by local partnerships of schools, families, and communities and continude development of a dropout prevention early warning and intervention system; Creates a program to allocate funds for graduation coaches for the most struglling high schools and school success coaches for associated elementary and middle schools; Adds dropout prevention, intervention and reengagement services to teh basic core services to be provided by Educational Service districts including a corps of intervention specialists.

2013-15 Omnibus Operating Budget
Public Schools
Pupil Transportation
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	595,885	595,885
2013-15 Maintenance Level	0.0	660,847	660,847
Total 2013-15 Biennium	**0.0**	**660,847**	**660,847**

Comments:

2013-15 Omnibus Operating Budget
Public Schools
School Food Services
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	14,222	595,634
2013-15 Maintenance Level	0.0	14,222	632,560
Total 2013-15 Biennium	**0.0**	**14,222**	**632,560**

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Special Education
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	2.0	1,328,957	1,815,879
2013-15 Maintenance Level	2.0	1,427,062	1,889,085
Policy Other Changes:			
1. Expand Full Day Kindergarten *	0.0	1,657	1,657
2. Materials, Supplies, & Op. Costs	0.0	15,243	15,243
3. Reduce Early Elementary Class Size	0.0	36,432	36,432
4. Increase Instructional Hours	0.0	16,877	16,877
5. K12 Dropout Prevention (HB 1424)	0.0	-57	-57
Policy -- Other Total	**0.0**	**70,152**	**70,152**
Total Policy Changes	**0.0**	**70,152**	**70,152**
Total 2013-15 Biennium	**2.0**	**1,497,214**	**1,959,237**

Comments:

1. Expand Full Day Kindergarten * - Allocations for statewide voluntary full day kindergarten programs are increased from 22% of kindergarten enrollment in SY 2012-13 to 61% of kindergarten enrollment in SY 2013-14. In SY 2014-15, funding is sufficient to fund full statewide implementation of voluntary all day kindergarten.

2. Materials, Supplies, & Op. Costs - Allocations for Materials, Supplies & Operating Costs (MSOC) are increased above maintenance level in the 2014-15 school year from $571.33 per full time equivalent student to $716.16 per full time equivalent student. The MSOC allocation required by RCW 28A.150.260(8)(b) is revised to reflect actual audited expenditures by school districts, as reported by the Office of the Superintendent of Public Instruction. The allocation in the 2014-15 school year achieves 29% of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values.

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**

3. Reduce Early Elementary Class Size - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. Included in the new formulas was a reduction in class sizes for grades kindergarten through three. Allocations provided in SY 2013-14 reduce class size for grades kindergarten through three from 25.23 full-time equivalent students (FTEs) to 23.17 (FTEs). Schools with high poverty students, those with more than 50% of students qualifying for free and reduced price lunch, are reduced from 24.10 FTEs to 22.33 FTEs. SY 2014- 15 allocations include additional reductions in class size, lowering class sizes to 21.12 for non-poverty schools and 20.55 for high poverty schools.

4. Increase Instructional Hours - Funding is provided to fund an increase in instructional hours to meet the requirement under 28A.150.220(2)(a). The additional hours are implemented at 50 percent of the requirement in the 2013-14 school year and fully implemented in the 2014-15 school year. In calculating the allocations it is assumed that an additional 1.111 hours of instruction is provided per full time equivalent student per week in the 2013-14 school year, and is increased to 2.2222 hours per week in the 2014-15 school year.

5. K12 Dropout Prevention (HB 1424) - Funds are provided to implement HB 1424, K-12 dropout prevention, excluding the provision that increases the allocation for reengaged students from a rate of 1.00 full-time equivalent student to 1.22 full-time equivalent student. HB 1424: requires OSPI to develop a system assessment tool for use by local partnerships of schools, families, and communities and continue development of a dropout prevention early warning and intervention system; Creates a program to allocate funds for graduation coaches for the most struggling high schools and school success coaches for associated elementary and middle schools; Adds dropout prevention, intervention and reengagement services to the basic core services to be provided by Educational Service districts including a corps of intervention specialists.

2013-15 Omnibus Operating Budget
Public Schools
Educational Service Districts
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	15,806	15,806
2013-15 Maintenance Level	0.0	16,292	16,292
Total 2013-15 Biennium	**0.0**	**16,292**	**16,292**

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Levy Equalization
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	598,934	603,334
2013-15 Maintenance Level	0.0	632,727	632,727
Policy Other Changes:			
1. Levy Equalization	0.0	4,993	4,993
Policy -- Other Total	**0.0**	**4,993**	**4,993**
Total Policy Changes	**0.0**	**4,993**	**4,993**
Total 2013-15 Biennium	**0.0**	**637,720**	**637,720**

Comments:

1. Levy Equalization - The 2013-15 biennial budget increases state funding allocations for full-day kindergarten, class size reduction, pupil transportation, and maintenance, supplies, and operating costs. Corresponding adjustments are made to districts' levy base and the per-pupil inflator. The per-pupil inflator is set at 6.2 percent for the 2013-14 school year and 0.4 percent for the 2014-15 school year. These changes increase school district levy authority, which results in increased levy equalization payments.

2013-15 Omnibus Operating Budget
Public Schools
Elementary & Secondary School Improvement
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	0	6,152
2013-15 Maintenance Level	0.0	0	4,052
Total 2013-15 Biennium	**0.0**	**0**	**4,052**

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Institutional Education
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	32,561	32,561
2013-15 Maintenance Level	0.0	30,787	30,787
Total 2013-15 Biennium	**0.0**	**30,787**	**30,787**

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Education of Highly Capable Students
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	17,533	17,533
2013-15 Maintenance Level	0.0	19,083	19,083
Policy Other Changes:			
1. Expand Full Day Kindergarten *	0.0	420	420
Policy -- Other Total	**0.0**	**420**	**420**
Total Policy Changes	**0.0**	**420**	**420**
Total 2013-15 Biennium	**0.0**	**19,503**	**19,503**

Comments:
1. Expand Full Day Kindergarten * - Allocations for statewide voluntary full day kindergarten programs are increased from 22% of kindergarten enrollment in SY 2012-13 to 61% of kindergarten enrollment in SY 2013-14. In SY 2014-15, funding is sufficient to fund full statewide implementation of voluntary all day kindergarten.

2013-15 Omnibus Operating Budget
Public Schools
Education Reform
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	35.5	163,129	386,319
2013-15 Maintenance Level	38.5	234,824	445,069
Policy Other Changes:			
1. Suspend National Board Inflation #	0.0	-3,128	-3,128
2. National Career Readiness Cert.	0.0	200	200
3. Assessment Reforms	0.0	-26,607	-26,607
4. High School Acceleration	0.0	3,213	3,213
Policy -- Other Total	**0.0**	**-26,322**	**-26,322**
Total Policy Changes	**0.0**	**-26,322**	**-26,322**
Total 2013-15 Biennium	**38.5**	**208,502**	**418,747**

Comments:

1. Suspend National Board Inflation # - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from $5,090 to $5,505. This requirement is suspended for the 2013-15 biennium and the bonus will remain at $5,090.

2. National Career Readiness Cert. - Funding is provided to the Office of the Superintendent of Public Instruction to defray the cost of national career readiness certification testing for the state's graduates of the 50 aerospace assembly and advanced manufacturing high school and skill center programs. An estimated 2,500 students statewide will benefit each year. The estimated cost for each exam is $36.00

3. Assessment Reforms - Savings are assumed, related to changes to required assessments as described in

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
SB 5587			

4. High School Acceleration - Funding is provided for the implementation of SB 5243

2013-15 Omnibus Operating Budget
Public Schools
Transitional Bilingual Instruction
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	160,241	231,242
2013-15 Maintenance Level	0.0	183,182	254,197
Total 2013-15 Biennium	**0.0**	**183,182**	**254,197**

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Learning Assistance Program (LAP)
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	255,388	747,595
2013-15 Maintenance Level	0.0	270,663	719,098
Policy Other Changes:			
1. Expand Full Day Kindergarten *	0.0	1,743	1,743
Policy -- Other Total	**0.0**	**1,743**	**1,743**
Total Policy Changes	**0.0**	**1,743**	**1,743**
Total 2013-15 Biennium	**0.0**	**272,406**	**720,841**

Comments:

1. Expand Full Day Kindergarten * - Allocations for statewide voluntary full day kindergarten programs are increased from 22% of kindergarten enrollment in SY 2012-13 to 61% of kindergarten enrollment in SY 2013-14. In SY 2014-15, funding is sufficient to fund full statewide implementation of voluntary all day kindergarten.

2013-15 Omnibus Operating Budget
Public Schools
Compensation Adjustments
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Estimated Expenditures	0.0	0	2
2013-15 Maintenance Level	0.0	295,483	295,483
Policy Other Changes:			
1. CTE Technical Correction	0.0	18	18
2. Expand Full Day Kindergarten *	0.0	2	2
3. Reduce Early Elementary Class Size	0.0	297	297
4. Increase Instructional Hours	0.0	153	153
Policy -- Other Total	**0.0**	**470**	**470**
Policy Comp Changes:			
5. Health Benefit Rate Adjustments	0.0	10,718	10,718
6. Suspend I-732 COLA #	0.0	-295,382	-295,382
Policy -- Comp Total	**0.0**	**-284,664**	**-284,664**
Total Policy Changes	**0.0**	**-284,194**	**-284,194**
Total 2013-15 Biennium	**0.0**	**11,289**	**11,289**

Comments:

1. CTE Technical Correction - A technical correction is made for the "Other CIS" funding ratio for career and technical programs (CTE) for middle schools, high schools and skills center programs. CTE staffing allocations should be funded at the same basic education rates outlined in SHB 2776 consistent with all other programs. The current funding rate of "Other CIS" is 2.02 per 1,000 student FTE for CTE vocational programs and 2.36 per 1,000 student FTE for skills center programs; the rate should be 4.25 per 1,000 student FTE as it is for a basic education student.

2. Expand Full Day Kindergarten * - Allocations for statewide voluntary full day kindergarten programs are

	PSHB 1057 Rep. Alexander K-12		
	FTEs	NGF-P	Total

increased from 22% of kindergarten enrollment in SY 2012-13 to 61% of kindergarten enrollment in SY 2013-14. In SY 2014-15, funding is sufficient to fund full statewide implementation of voluntary all day kindergarten.

3. Reduce Early Elementary Class Size - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. Included in the new formulas was a reduction in class sizes for grades kindergarten through three. Allocations provided in SY 2013-14 reduce class size for grades kindergarten through three from 25.23 full-time equivalent students (FTEs) to 23.17 (FTEs). Schools with high poverty students, those with more than 50% of students qualifying for free and reduced price lunch, are reduced from 24.10 FTEs to 22.33 FTEs. SY 2014- 15 allocations include additional reductions in class size, lowering class sizes to 21.12 for non-poverty schools and 20.55 for high poverty schools.

4. Increase Instructional Hours - Funding is provided to fund an increase in instructional hours to meet the requirement under 28A.150.220(2)(a). The additional hours are implemented at 50 percent of the requirement in the 2013-14 school year and fully implemented in the 2014-15 school year. In calculating the allocations it is assumed that an additional 1.111 hours of instruction is provided per full time equivalent student per week in the 2013-14 school year, and is increased to 2.2222 hours per week in the 2014-15 school year.

5. Health Benefit Rate Adjustments - The funding rate for school employee health benefits is increased from $768 to $772 for school year 2013-14 and $775 for school year 2014- 15. (General Fund-State, various other funds)

6. Suspend I-732 COLA # - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school

2013-15 Omnibus Operating Budget
Public Schools
Compensation Adjustments
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	NGF-P	Total

employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

PSHB 1057

By Representative Alexander

K-12 Public Schools
2013 Supplemental
Agency/Program Detail

March 14, 2013

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	271.8	13,783,321	15,915,437
2011-13 Maintenance Level	274.8	13,597,441	15,659,061
2013 Policy Other Changes:			
1. Charter Schools (Initiative 1240)	1.2	410	410
Policy -- Other Total	**1.2**	**410**	**410**
Total Policy Changes	**1.2**	**410**	**410**
2011-13 Revised Appropriations	276.0	13,597,851	15,659,471

Comments:

1. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to 40 publicly-funded charter schools in Washington state. The initiative established a State Charter Schools Commission to be housed within the Office of the Governor, and creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	234.3	48,657	138,300
2011-13 Maintenance Level	235.8	52,455	143,862
2013 Policy Other Changes:			
1. Charter Schools (Initiative 1240)	1.2	410	410
Policy -- Other Total	**1.2**	**410**	**410**
Total Policy Changes	**1.2**	**410**	**410**
2011-13 Revised Appropriations	237.0	52,865	144,272

Comments:

1. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to 40 publicly-funded charter schools in Washington state. The initiative established a State Charter Schools Commission to be housed within the Office of the Governor, and creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
General Apportionment
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	10,459,774	10,459,774
2011-13 Maintenance Level	0.0	10,380,729	10,403,056
2011-13 Revised Appropriations	0.0	10,380,729	10,403,056

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Pupil Transportation
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	649,813	649,813
2011-13 Maintenance Level	0.0	596,136	596,136
2011-13 Revised Appropriations	0.0	596,136	596,136

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
School Food Services
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	14,222	597,222
2011-13 Maintenance Level	0.0	14,222	665,234
2011-13 Revised Appropriations	0.0	14,222	665,234

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Special Education
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	2.0	1,350,186	2,041,982
2011-13 Maintenance Level	2.0	1,308,363	1,804,285
2011-13 Revised Appropriations	2.0	1,308,363	1,804,285

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Educational Service Districts
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	15,815	15,815
2011-13 Maintenance Level	0.0	15,789	15,789
2011-13 Revised Appropriations	0.0	15,789	15,789

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Levy Equalization
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	611,782	611,782
2011-13 Maintenance Level	0.0	600,305	604,705
2011-13 Revised Appropriations	0.0	600,305	604,705

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Institutional Education
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	32,610	32,610
2011-13 Maintenance Level	0.0	31,241	31,241
2011-13 Revised Appropriations	0.0	31,241	31,241

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Education of Highly Capable Students
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	17,535	17,535
2011-13 Maintenance Level	0.0	17,904	17,904
2011-13 Revised Appropriations	0.0	17,904	17,904

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Transitional Bilingual Instruction
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	172,539	243,540
2011-13 Maintenance Level	0.0	163,137	234,138
2011-13 Revised Appropriations	0.0	163,137	234,138

Comments:

2011-13 Revised Omnibus Operating Budget (2013 Supp)
Public Schools
Learning Assistance Program (LAP)
(Dollars in Thousands)

	PSHB 1057 Rep. Alexander K-12		
	FTEs	**NGF-P**	**Total**
2011-13 Original Appropriations	0.0	252,221	833,428
2011-13 Maintenance Level	0.0	254,031	750,238
2011-13 Revised Appropriations	0.0	254,031	750,238

Comments:

Appendix:

Additional Information

March 14, 2013

Proposed by Rep. Alexander

Implementation of Enhancements to the K-12 Prototypical School Funding Allocation Model

Schedule of Enhancements to the Prototypical School Formula by School Year

	SY 2013-14	SY 2014-15	SY 2015-16	SY 2016-17	SY 2017-18	SY 2018-19
Full Day Kindergarten (% of K FTEs)	61%	100%	100%	100%	100%	100%
K-3 Class Size (Non-Poverty Schools)	23.17	21.12	19.06	17.00	17.00	17.00
K-3 Class Size (Poverty Schools)	22.33	20.55	18.78	17.00	17.00	17.00
MSOC (adjusted target) $ per Pupil	562.33	716.16	833.36	973.53	1,118.57	1,135.35
Transportation (Implement Expected Cost) ($ Thousands) - School Year Estimate					58,694	119,383
Increase in Grades 7-12 Instructional Hours (Additional Hours/Week/FTE in grades 7-12)	1.1111	2.2222	2.2222	2.2222	2.2222	2.2222

Implementation of Enhancements to the K-12 Prototypical School Funding Allocation Model

Fiscal Year Estimates in $Thousands

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Full Day Kindergarten	70,961	157,984	170,753	167,610	178,240	185,023
K-3 Class Size Reductions	84,702	217,244	372,315	554,720	605,323	612,209
Materials, Supplies & Operating Costs	-	128,088	256,452	398,164	555,237	597,818
Transportation Formula Implementation	-	-	-	-	46,955	107,246
Increase in Grades 7-12 Instructional Hours	48,831	109,153	121,060	121,163	121,626	122,110
Hold Harmless	-	(10,202)	(13,636)	(13,857)	(13,857)	(13,857)
Fiscal Year Total	204,494	602,268	906,943	1,227,800	1,493,525	1,610,549
Biennial Total		806,762		2,134,743		3,104,073

Note 1: Estimates above continue assumption of I-732 suspension through FY 2018-19 SY.

Note 2: Highlighted areas indicate the school/fiscal year in which full implementation is achieved. Deadlines for full implementation are revised from those required by house bills 2776 and 2261.

Rep. Alexander Proposed 2013 supp and 2013-15 Balance Sheet

NGF-S + Opp Pathways, $ in millions

	2011-13	2013-15
Beginning NGF-S/Opp Pathways balance	(60)	125
Resources		
Nov Revenue Fcst*	30,669	32,736
Transfer from the Budget Stabilization Account		200
Other Fund transfers	614	229
Suspend streamlined sales tax mitigation		51
HB 1971 (Telecommunications Bill)		80
DOR additional auditors		10
Total resources	31,283	33,306
Expenditures		
Maintenance Level	31,283	33,806
Assumed reversions	(166)	(160)
K-12 public schools**		556
Higher education**		48
Health/human services***		(729)
Agency efficiencies		(101)
Net cost of 2013 Policy Bills		48
All other expenditures	(19)	(46)
Total expenditures	31,098	33,422
Ending NGF-S + Opp Pathways balance	125	9
Reserves		
Ending NGF-S + Opp Pathways balance	125	9
Ending BSA balance	268	374
Total reserves	393	383

*After the transfer to the Budget Stabilization Account.
**Includes savings from suspending I-732.
*** Includes savings from extending the hospital safety net assessment and from Medicaid expansion.

Note: All items except the revenue forecast and K-12 expenditures (identified in PSHB 1057) are assumptions by Rep. Alexander.

Rep. Alexander Proposed Balance Sheet after 2013 supp and for 2013-15

NGF-S + Opp Pathways, $ in millions

	2011-13 (After 2013 Supp)	2013-15
Beginning NGF-S/Opp Pathways balance	(60)	125
Resources		
Nov Revenue Fcst*	30,669	32,736
Transfer from the Budget Stabilization Account		200
Other fund transfers	614	229
Suspend streamlined sales tax mitigation		51
HB 1971 (Telecommunications Bill)		80
DOR additional auditors		10
Total resources	31,283	33,306
Expenditures		
K-12 public schools	13,598	15,129
Higher education	2,735	2,981
Health and human services	11,438	11,829
Natural resources	301	273
General Government/Other	3,192	3,322
Assumed reversions	(166)	(160)
Net cost of 2013 Policy Bills		48
Total expenditures	31,098	33,422
Ending NGF-S + Opp Pathways balance	125	9
Reserves		
Ending NGF-S + Opp Pathways balance	125	9
Ending BSA balance	268	374
Total reserves	393	383

*After the transfer to the Budget Stabilization Account.

Note: All items except the revenue forecast and K-12 expenditures (which are identified in PSHB 1057) are assumptions by Rep. Alexander.

2013 2015

Washington State House of Representatives

Office of Program Research