



***McCleary***  
**Education Funding Plan:**  
**Overview of EHB 2242**

# Overview of EHB 2242

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

# EHB 2242—*McCleary* Solution

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

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

# Salary Allocations—Overview

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

## Certificated Staff Salary Allocations

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

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

# CBA & Supplemental Contracts—Overview

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

# Health Benefits—Overview

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

# Accountability/Transparency—Overview

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

# Levies & LEA—Overview

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



**How will EHB 2242 effect MISD?**