

2026 Shared Session Priorities

HOT TOPICS FOR DISTRICT ADVOCACY

Washington's paramount duty to fully fund basic education remains unmet as K-12 school districts are required to comply with extensive state mandates without funding that reflects the true cost of those obligations. While the Legislature continues to define and expand requirements related to staffing, instructional time, student supports, benefits, taxes, and compliance, state funding has not kept pace, forcing districts to rely on local levies and make significant cuts to staff and educational programs. This structural underfunding shifts financial risk to local communities, undermines districts' ability to meet the diverse learning needs of all students, and threatens the long-term sustainability of Washington's public education system.

WE NEED TO...



1. Increase MSOC funding to reflect actual operating costs



2. Exempt essential services, IT, and professional learning from sales tax



3. Pause new unfunded mandates and improve flexibility in existing requirements

IN ORDER TO...

move closer to **fully funding basic education** and **avoid shifting costs to school districts**

SO THAT...

districts can **invest in student learning** and **support better outcomes for all students.**

See reverse side for more information on each proposed solution.

MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC)

MSOC funding covers the essential, non-staffing costs that allow schools to operate safely and effectively utilities, insurance, instructional materials, transportation support, technology, and custodial and maintenance supplies.

Over the past decade, MSOC costs have significantly outpaced state funding:

- District liability insurance premiums have increased over 50% since 2019
- Utility costs have increased more than 30%
- Technology, curriculum, and transportation costs continue to rise due to inflation and system demands

Despite these pressures, state MSOC allocations have not kept pace. When MSOC funding falls short, districts must cut services or redirect local levy dollars, which are intended to enhance, not backfill, basic education. Under the Washington Constitution, MSOC is a core component of the state's basic education obligation.

WASA/WSSDA/WASBO support:

HB 2147 (Rep. Gregerson) / SB 5918 (Sen. Wellman)

OSPI-requested legislation increasing MSOC by \$100 per student or \$100,000 per district, whichever is greater.

EXEMPT ESSENTIAL SCHOOL DISTRICT SERVICES FROM SALES TAX

In 2025, ESSB 5814 expanded sales tax to include temporary staffing services, live presentations, and certain IT-related training. This change has created unintended consequences for school districts.

Districts rely on contracted specialists to provide legally required services including speech therapy, occupational and physical therapy, nursing, and behavioral support due to persistent statewide workforce shortages. Taxing these services increases costs without providing additional state funding.

Similarly, taxing professional development raises costs for training educators need to improve instruction, implement new curriculum, and integrate technology safely.

Although ESSB 5814 was intended to support public investments, taxing required school services reduces resources available for students and shifts costs to local districts.

WASA/WSSDA/WASBO support legislative action to exempt essential school district services and professional learning from sales tax.

PAUSE NEW REQUIREMENTS & ADDRESS UNFUNDED MANDATES

Since 2018, the Legislature has enacted 77 new school-year requirements, many without adequate funding or staffing. These add to longstanding reporting, compliance, and administrative obligations.

At the same time, basic education remains underfunded in critical areas, including:

- The prototypical school funding model
- Special education
- Student transportation
- Staffing capacity

With districts facing rising costs, workforce shortages, and budget uncertainty, new unfunded mandates create instability and divert resources from core academic needs.

WASA/WSSDA/WASBO support:

- A pause on new policies that do not include full state funding
- Increased flexibility within existing requirements so districts can focus on student learning