

2026 Shared Legislative Priorities - Hot Topics

WASA - WSSDA - WASBO Legislative Conference

January 9-10, 2026

TALKING POINTS MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC)

MSOC is foundational to basic education.

MSOC funds the essential, non-staffing costs that allow schools to function safely and effectively, including utilities, insurance, instructional materials, technology, transportation support, and building maintenance. These costs are core components of the state's constitutional obligation for basic education.

MSOC costs are rising far faster than state funding.

Over the past decade, real world operating costs have significantly outpaced state MSOC allocations. District liability insurance premiums have increased more than 50 percent since 2019, and utility costs have risen over 30 percent, while technology, curriculum, and transportation costs continue to climb.

Districts have no flexibility to absorb these increases.

MSOC expenses are unavoidable. When state funding falls short, districts must reduce services, defer maintenance, or redirect existing resources simply to keep schools operating.

Local levies are being used to backfill basic education.

Inadequate MSOC funding forces districts to rely on local levy dollars intended to enhance educational opportunities, not to cover the state's basic education responsibilities, which worsens inequities across communities.

Underfunded MSOC directly impacts students and learning environments.

Funding gaps affect classroom materials, building conditions, transportation reliability, and access to up to date technology, undermining both student safety and instructional quality.

HB 2147 and SB 5918 offer a pragmatic, targeted solution.

The OSPI requested proposal to increase MSOC by 100 dollars per student, or 100 thousand dollars per district, whichever is greater, provides meaningful, immediate relief and recognizes the fixed operating costs faced by small and rural districts.

Fully funding MSOC is a constitutional and fiscal responsibility.

Addressing MSOC shortfalls helps the state meet its constitutional duty, stabilizes district budgets, and reduces pressure on local levies, supporting equity, transparency, and long term sustainability.

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TALKING POINTS EXEMPT ESSENTIAL SCHOOL DISTRICT SERVICES FROM SALES TAX

ESSB 5814 created unintended consequences for schools.

The 2025 expansion of sales tax to temporary staffing services, live presentations, and certain IT related training has significantly increased costs for school districts in ways that were not anticipated when the policy was adopted.

Districts depend on contracted specialists to meet legal requirements.

Due to persistent statewide workforce shortages, districts rely on contracted providers for legally required services such as speech therapy, occupational and physical therapy, nursing, and behavioral support. Taxing these services increases costs without increasing state funding.

Sales tax on required services is a hidden cut to school funding.

When essential services are taxed, districts must absorb the cost within existing budgets, effectively reducing the resources available for classrooms, student supports, and safety.

Professional learning is essential, not optional.

Taxing professional development raises costs for training educators need to improve instruction, implement new curriculum, comply with state and federal requirements, and integrate technology safely and effectively.

The policy shifts state costs to local districts.

Although ESSB 5814 was intended to support public investments, applying sales tax to required school services shifts costs to school districts and local taxpayers, undermining the state's responsibility for basic education.

The impact is inequitable across districts.

Smaller and rural districts, as well as districts serving students with greater needs, are disproportionately affected because they rely more heavily on contracted services and have less local capacity to absorb new costs.

Exempting essential school services is a targeted, responsible fix.

Legislative action to exempt essential school district services and professional learning from sales tax would prevent further erosion of school budgets, preserve services for students, and better align tax policy with the state's constitutional obligation to fully fund basic education.

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TALKING POINTS PAUSE NEW REQUIREMENTS & ADDRESS UNFUNDED MANDATES

The volume of new requirements is unsustainable.

Since 2017, the Legislature has enacted more than 100 new school year requirements, many layered on top of existing reporting, compliance, and administrative obligations that districts already struggle to manage.

Too many new mandates lack full funding and staffing support.

Many recently enacted requirements were adopted without adequate state funding or consideration of staffing capacity, leaving districts to implement new policies using existing, already stretched resources.

Basic education remains underfunded in critical areas.

Core components of basic education, including the prototypical school funding model, special education, student transportation, and staffing capacity, remain underfunded, making it increasingly difficult for districts to absorb additional responsibilities.

Un- or Underfunded mandates divert resources away from students.

When districts must comply with new requirements without funding, resources are redirected away from classrooms, instructional supports, and student services, undermining academic outcomes.

New mandates create instability during a time of uncertainty.

Rising costs, workforce shortages, and ongoing budget uncertainty make it especially disruptive to add new requirements that increase administrative workload and financial pressure on districts.

A pause on unfunded policies would help to enable focus and stability.

Temporarily pausing new requirements that do not include full state funding would allow districts to stabilize operations, focus on implementation of existing laws, and prioritize student learning.

Flexibility is essential to meet local needs.

Increasing flexibility within existing requirements empowers districts to allocate time, staff, and resources where they are most effective, while still meeting accountability expectations and serving students well.