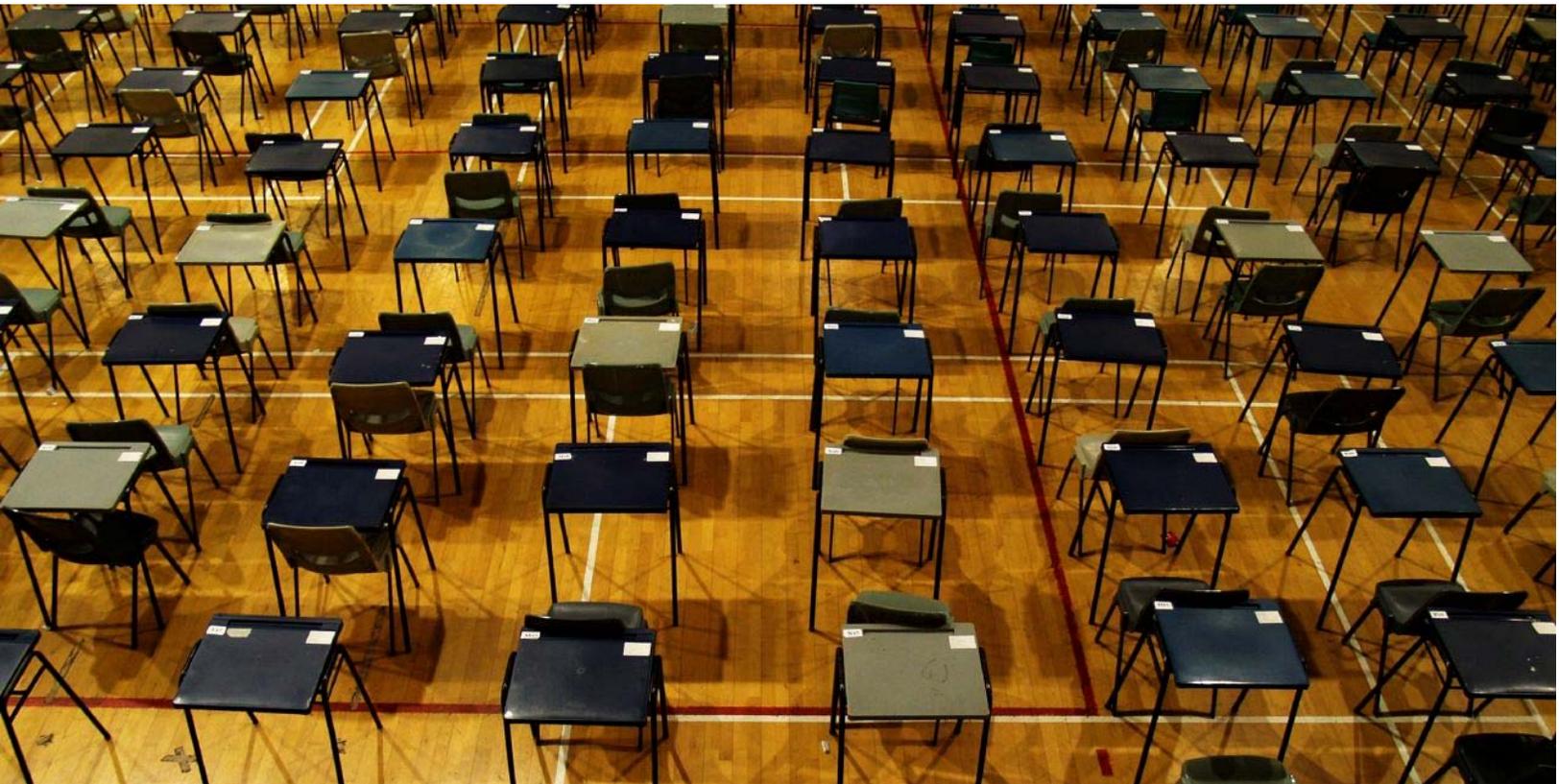


Washington's Education is Still Underfunded; The Legislature Remains in Contempt



Economic
Opportunity
Institute

By EOI Executive Director John Burbank

Introduction

The Washington State Constitution states: “It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex.”¹

In 2014, the State Supreme Court found Washington State in contempt of the 2012 McCleary K-12 decision because it had failed to fully fund public education. Although the Legislature has since increased funding for schools, our schools remain far from full funding, even according to the Legislature’s own definition, established in 2009 and 2010 in House Bills 2261 and 2776. Further, the Legislature has delayed and disabled implementation of Initiative 1351 to lower class sizes in all grades, voted into law by the people in 2014.²

Washington State should still be seen as in contempt.

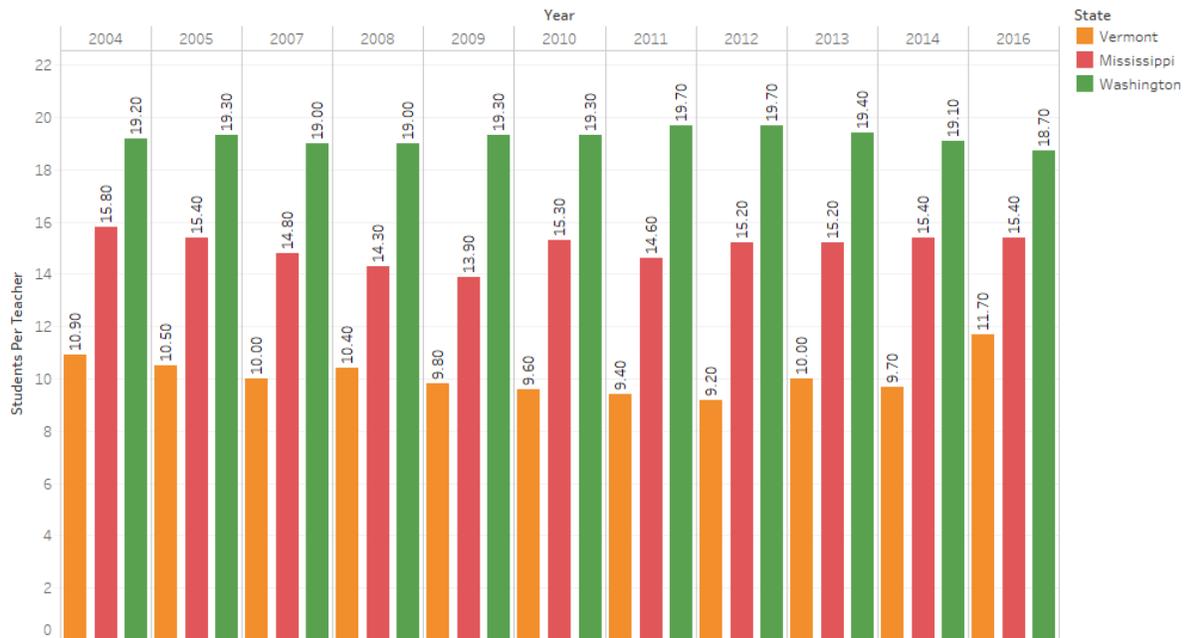
¹ Article IX, Section 1, Washington State Constitution <http://leg.wa.gov/LawsAndAgencyRules/Pages/constitution.aspx>

² For further discussion, the organization “Washington’s Paramount Duty” has an excellent synopsis: <http://paramountduty.org/how-we-got-into-this-mess/>

Class Sizes and Student Teacher Ratios

Washington is one of the five worst states in terms of class size.³ Vermont, which has the best student/teacher ratio in the country, has seven fewer students per class with a per capita income that is \$4,400 less than Washington’s \$55,718. Mississippi, the poorest state in the country with a per capita income of \$36,296, has three fewer students per teacher than Washington.⁴ From 2004 through 2016, through economic growth and severe recession, we have barely made a dent in the student-teacher ratio, even since the State Supreme Court’s McCleary Decision of 2012.

Students Per Teacher in Washington, Vermont and Mississippi



Source: National Education Association, Rankings of States and Estimates of School Statistics, 2005 to 2017 Reports, Tables C-6 (C-3 for 2017 Report)

To bring class sizes down to Mississippi’s level, it would cost Washington about \$2 billion a year, and about \$5.6 billion a year to reach Vermont’s.⁵

According to the Education Week Research Center’s annual Quality Counts report, which combines 39 indicators for quality in K-12 systems throughout the country, Washington ranks 20th in education

³ Source: National Education Association, Rankings of States and Estimates of School Statistics, 2005 to 2017 Reports, Tables C-6 <http://www.nea.org/home/44479.htm>

⁴ Per capita income from Bureau of Economic Analysis, Interactive Data, Regional Data, Second Quarter 2017, per capita personal income <https://bea.gov/iTable/>

⁵ Author’s calculations from (1) <http://www.eoionline.org/budget/#minor/Public+Schools/2017/list>, (2) <http://www.k12.wa.us/DataAdmin/enrollment.aspx>, (3)

http://www.nea.org/assets/docs/2017_Rankings_and_Estimates_Report-FINAL-SECURED.pdf Comparison of NEA data on class sizes for other states and Washington data. The Washington data include local funding, so estimates for needed new revenue are based on class size from all funding sources (that is, local school districts as well as the state). If the state takes over the local funding, as is currently constructed, sort of, with the new legislation, then the state portion would have to go up and obviously the local portion would go down - but the overall funding estimate would remain roughly the same.

quality.⁶ Per capita income in the states outperforming Washington ranges from \$45,000 to \$70,000.⁷ The average per capita income, weighted by population,⁸ for these states is \$56,610,⁹ \$892 more per person than Washington's.

For Washington to obtain the class size standards of the 19 states ahead of us would require about \$3.4 billion a year, the equivalent of over one-third of the 2017 K-12 budget for the state.¹⁰ To reach the level of the six states that earned the top grade of "B" in the Quality Counts survey - Massachusetts, New Jersey, Vermont, New Hampshire, Maryland, and Connecticut - would require an investment of \$4.2 billion a year, an increase of over 45% in state investments for K-12.

Teacher Compensation

If the Legislature intends to meet its paramount duty, it must increase teachers' salaries to be competitive nationally, regionally, and among other professions with similar education and skills. We are seeing a teaching shortage across the nation.¹¹ Enrollments in educator preparation programs are down – indicating that teaching is not competitive among similar professions. Yet average salaries for Washington teachers are 92% of the national average in salaries.¹² Not only do we have to compete with other states in trying to meet our own teacher shortage, but we also have to make sure the pay is competitive enough that prospective teachers don't choose a different profession.

In 2012, the State's Compensation Technical Working Group, as authorized and mandated by House Bill 2261 (2009), conducted a comparable wage analysis and found that beginning educator pay should be increased dramatically to be competitive. The compensation technical working group's recommended wage (adjusted for inflation since the report's issuance) would have been \$54,000 in the 2017-18 school year; currently, the state allocates \$36,521 for a beginning educator.¹³ At the time of their report, the compensation technical working group estimated that it would take \$2.2 billion per year (again, adjusted for inflation since the report's issuance) to bring state funding for teachers and other education professionals' pay to competitive, market-based wages. So a very rough estimate of needed new revenue for K-12 education, including increases in the K-12 student population, while **excluding capital costs** for new school construction, is between \$12 billion and \$14 billion a biennium.¹⁴

⁶ <http://www.edweek.org/ew/qc/2017/state-highlights/2017/01/04/national-education-ranking.html>

⁷ Bureau of Economic Analysis, op. cit.

⁸ https://simple.wikipedia.org/wiki/List_of_U.S._states_by_population

⁹ <https://bea.gov/iTable/>

¹⁰ <http://www.eoionline.org/budget/#home/default/2017/list>

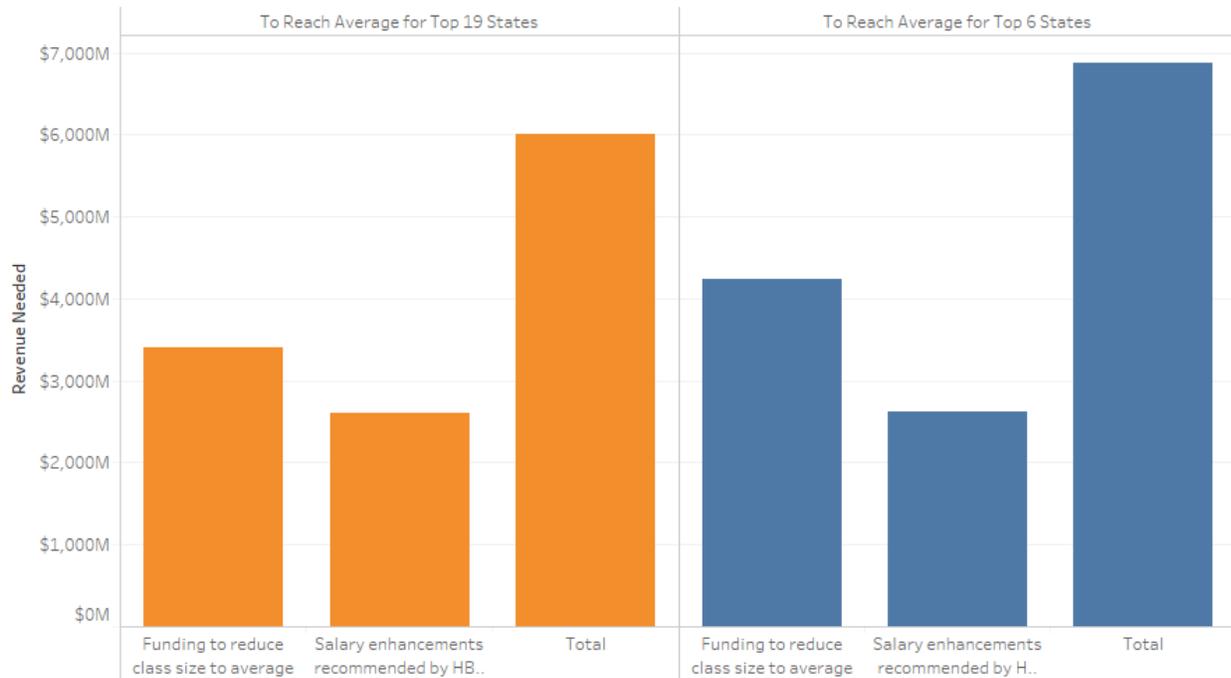
¹¹ <http://www.k12.wa.us/LegisGov/TeacherShortage.aspx>, https://learningpolicyinstitute.org/sites/default/files/product-files/Solving_Teacher_Shortage_Attract_Retain_Educators_BRIEF.pdf, <https://www.seattletimes.com/education-lab/washington-not-alone-in-hunt-for-teachers-new-report-says/>, https://www.washingtonpost.com/news/answer-sheet/wp/2017/08/28/teacher-shortages-affecting-every-state-as-2017-18-school-year-begins/?utm_term=.978bcbb8dc0d, <http://data.pesb.wa.gov/production>

¹² http://www.nea.org/assets/docs/2017_Rankings_and_Estimates_Report-FINAL-SECURED.pdf, Table C-5

¹³ <http://k12.wa.us/LegisGov/pubdocs/K12SalaryAllocationPayforTeachersCertificatedInstructionalStaff.pdf>, <http://k12.wa.us/LegisGov/pubdocs/K12SalaryAllocationPayforTeachersCertificatedInstructionalStaff.pdf>, <http://www.k12.wa.us/Compensation/CompTechWorkGroupReport/CompTechWorkGroup.pdf>, p. 20 (This is equivalent to \$2.2 billion in 2017).

¹⁴ These figures are corroborated through an analysis of the state's Quality Education Council (QEC) cost studies, which used a completely different, and more thorough, methodology and resulted in even greater needed funding estimates for K-12 education. The QEC was eliminated by the Legislature in 2015. The financial commitments suggested by the QEC cost studies were apparently too daunting for the Legislature. For in-depth analysis and historical narrative, see

Annual Revenue Needed to Meet Class Size Average Goals, and to Meet US Average Salary



Sources: 2016 NEA rankings: http://www.nea.org/assets/docs/2017_Rankings_and_Estimates_Report-FINAL-SECURED.pdf, <http://k12.wa.us/LegisGov/pubdocs/K12SalaryAllocationPayforTeachersCertificatedInstructionalStaff.pdf>, <http://www.k12.wa.us/Compensation/CompTechWorkGroupReport/CompTechWorkGroup.pdf>

Class size for Top 6 and Top 19 weighted by student population in each state.

Additional increments in salary enhancements based on student cohort growth, \$75,718 salary (10th year, masters degree) and 23.65% of salary for benefits.

Higher Education

When Governor Jay Inslee and Speaker Frank Chopp attended the University of Washington in the 1970s, their tuition and mandatory fees were less than \$3,000 in 2016 dollars. When Senate Majority Leader Mark Schoesler earned his associate’s degree in agribusiness from Spokane Community, his tuition was about \$1,000 in 2016 dollars.¹⁵ Current tuition and fees at the University of Washington total \$10,974, more than three times what they were in the 1970s.¹⁶ Current tuition and fees at Spokane Community College total \$4,293.¹⁷

In 1959-1961, average biennial appropriations per student for the University of Washington, Washington State University, and Central, Eastern and Western Washington State Colleges exceeded \$11,500. In 2011-2013, per student appropriations had fallen to \$5,000.¹⁸

<http://waschoolfunding.com/> "Ample Funding for Washington State Public Schools: The Funding and the School Finance Plan Needed to Fully Fund Basic Education"

¹⁵ <http://www.eoionline.org/data/tuition-at-wa-state-public-colleges-and-universities/>

¹⁶ <https://opb.washington.edu/sites/default/files/opb/Final2017-18TriCampusAnnualTuitionAndFee.pdf>

¹⁷ <http://www.ccs.spokane.edu/Forms-A-to-Z/District-Forms/Business-Office/Tuition/Tuition---fees/CCS-Tuition-Book-FY2017-18.aspx>

¹⁸ "Washington State's Mandate: The Constitutional Obligation to Fund Post-Secondary Education" November 28, 2014 | 89 Wash. L. Rev. Online 15 <https://www.law.uw.edu/wlr/online-edition/sherman-spitzer/> p. 38 (PDF p. 24)

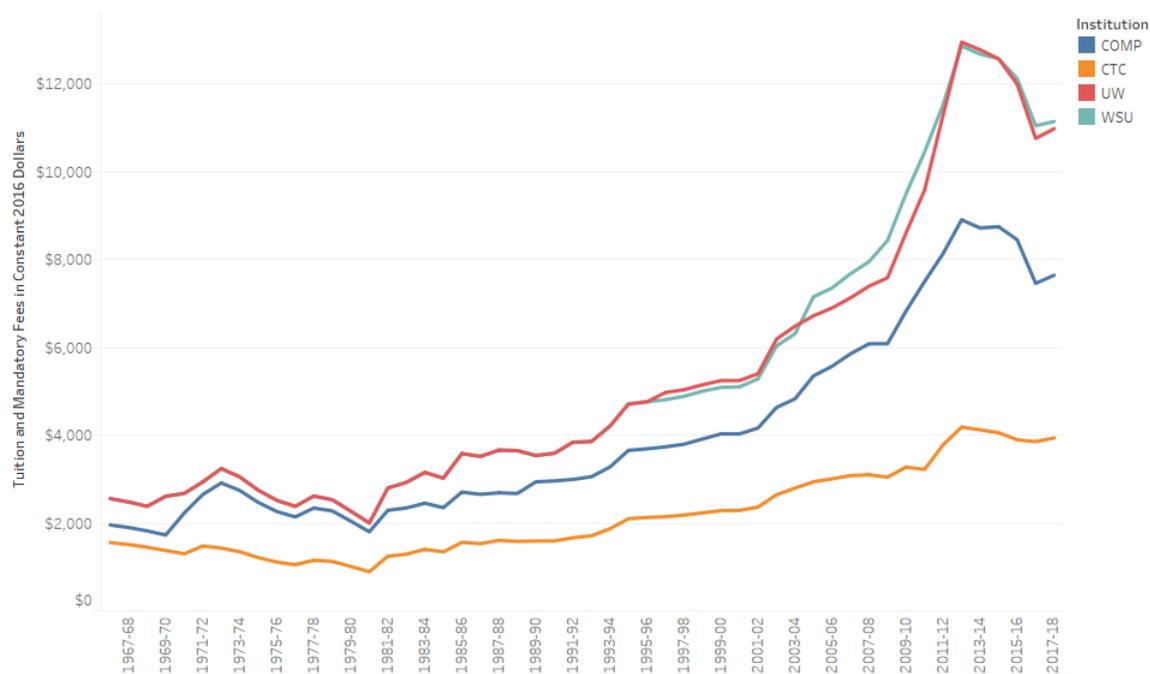
Average Annual Appropriations per FTE student in 2014 \$	UW	WSU	EWU	CWU	WWU	Average
1909–1911	\$3,749	\$5,115	\$2,165	\$4,556	\$3,738	\$3,964
1959–1961	\$11,906	\$16,139	\$7,351	\$6,784	\$5,949	\$11,574
2009–2011	\$7,989	\$8,753	\$5,032	\$4,691	\$4,584	\$7,122
2011–2013	\$5,320	\$6,338	\$3,548	\$3,669	\$3,376	\$5,000

Source: "Washington State's Mandate: The Constitutional Obligation to Fund Post-Secondary Education" November 28, 2014

Washington State’s funding for higher education peaked in 1980. That year, tuition and fees at the University of Washington and Washington State University were less than \$2,000, at the regional universities less than \$1,800, and at the community colleges less than \$900.¹⁹ Slowly tuition crept up, with the pace accelerating in the past two decades.

In 1995, tuition and fees at the University of Washington and Washington State University were less than \$4,800, at the regional universities less than \$3,700, and at the community colleges about \$2,100.²⁰ At that time, the state financed over 70% of the average cost of higher education for a student, and tuition accounted for less than 30%.²¹

Tuition and Fees at Public Institutions in Washington State



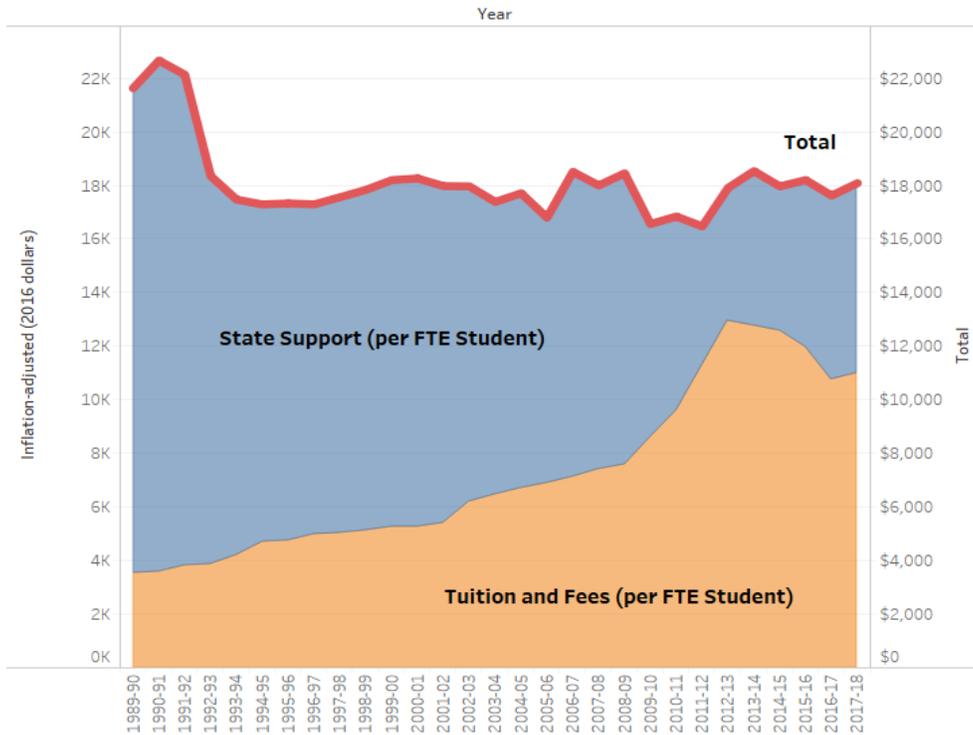
In 2017, the state supported only 43% of the cost for education at the two universities, while tuition accounted for 57%. At the community colleges, state support has fallen from 70% to 59%. To return to the funding levels of 1980, the state would need to contribute another \$1.2 billion a year.

¹⁹ <http://www.eoionline.org/data/tuition-at-wa-state-public-colleges-and-universities/>

²⁰ Ibid.

²¹ <http://www.eoionline.org/data/tuition-at-wa-state-public-colleges-and-universities/>

Washington State: Student vs State Share of Higher Education Funding



Early Learning

In the past decade, political leaders have realized that the time in a child’s life from birth to kindergarten creates the platform, self-confidence, and social skills necessary for a child entering elementary school. Yet our state neglects the financing necessary for high quality early learning and child care for the vast majority of children in our state. Our current system of poverty-level wages, rapid turnover, and few incentives for education for early learning teachers and caregivers all add up to compromising the health, well-being, and future of Washington’s children.

What would it take to develop a high quality statewide system of care, well-being, and education for the youngest children in our state? The most fundamental enablers for high quality learning and care are the teachers and caregivers. Their compensation takes up the vast majority of the budget for individual child care centers, approximately 70% of total costs.²²

Average Wages for Child Care Teachers and Supervisors, and Suggested Wage Levels	Current hourly wages	Modest improvement	Closer to K-12 standards
Supervisors	\$15.52 [1]	\$20.00	\$22.50
Lead Teachers	\$12.85 [1]	\$17.50	\$19.25
Assistant Teachers	\$11.25 [2]	\$15.00	\$17.00

Author's calculations. [1] 2014 wages calculated in 2015 dollars. [2] 2017 minimum wage + 25 cents.

²² See Suzanne W. Helburn and Carollee Howes, “Child Care Cost and Quality”, https://www.princeton.edu/futureofchildren/publications/docs/06_02_03.pdf p. 12

Assistant teachers currently earn just above the statewide minimum wage of \$11 an hour. The average wage for a lead teacher is \$12.85. A supervisor receives about \$15.50.²³ But on the other side of the ledger, Child Care Aware of America ranks Washington among the bottom ten states in the nation for affordable childcare, estimating the average annual cost of a child in a center at \$22,997. It is difficult for the household finances of low- and moderate-income parents to sustain these costs and it is impossible for working-class families to finance the increases in compensation necessary for high quality care.²⁴

Early Learning Staff	An Early Learning System Closer to Elementary School Standards, with Wages Annualized		Current Elementary School Compensation	Elementary School Staff in Tacoma
Supervisor	\$46,800 [1]		\$60,417 [2]	Teacher with BA only and 10 years' experience in Tacoma Public Schools
Lead Teacher	\$40,040	compared to	\$45,500	Beginning teacher in Tacoma Public Schools
Assistant Teacher	\$35,360		\$36,400	80% FTE for beginning teacher in Tacoma Public Schools

Author's calculations. [1] These calculations presume full-time and year round work. The K-12 salary schedule is for the 2017 school year.

[2] Source: <https://www.tacomaschools.org/hr/Salary%20Schedules/Teachers%20Salary%20Schedule.pdf>

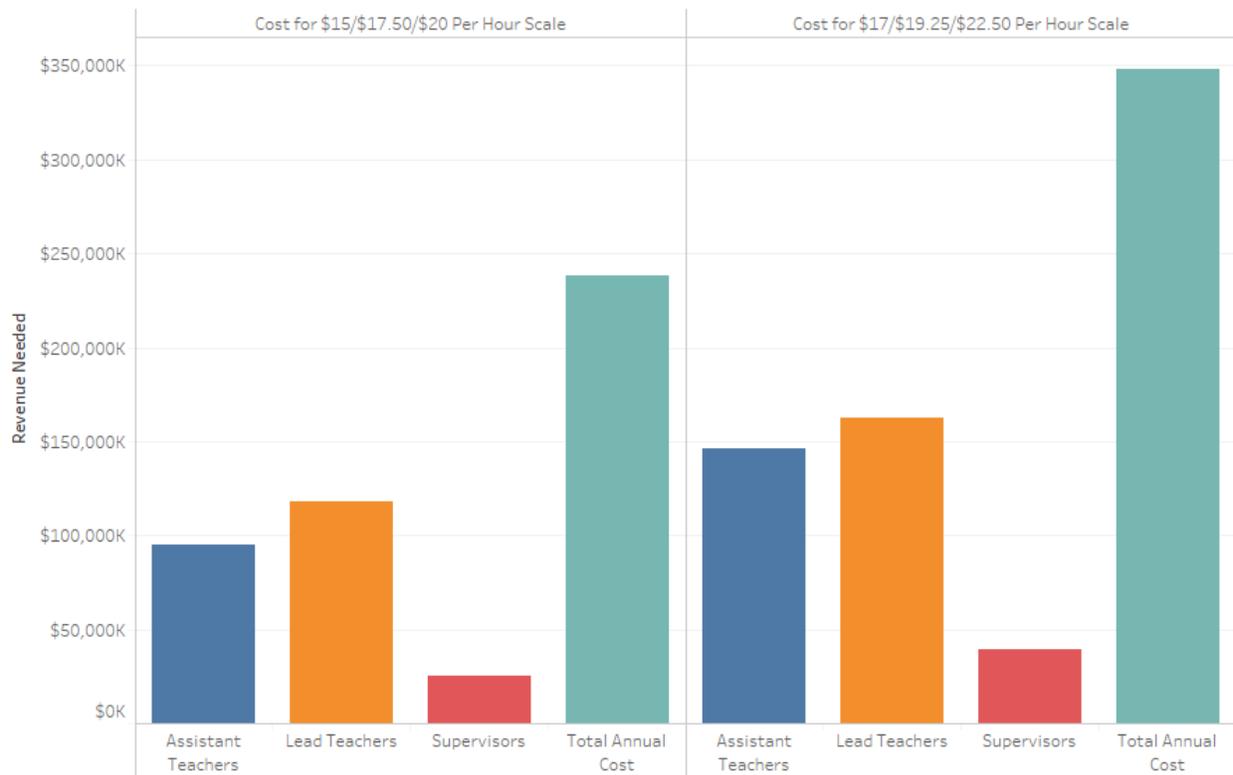
If we are indeed committed to higher quality early learning, our state cannot continue to promote a system that impoverishes workers. We should at least begin to bring child care teachers close to the salaries of elementary school teachers. If the Legislature decided to indeed fund early learning, and especially focus on compensation, these modest wage steps would cost between \$240 million and \$350 million a year.²⁵

²³ Technical Report 15-024, Washington State 2014 Child Care Survey, Child Care Rate and Resources in Washington State, p. 39; (word document on DEL website), adjusted for inflation and the 2017 increase in the minimum wage.

²⁴ Childcare Aware of American, "Parents and the High cost of Child Care 2016," <http://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/>.

²⁵ This does not include any additional costs for employer FICA taxes, health care, paid vacation, or educational expenses.

Revenue Needed for Compensation Enhancements for Early Learning



Source: Technical Report 15-024, Washington State 2014 Child Care Survey, Child Care Rate and Resources in Washington State, p. 39; (word document on DEL website) <https://del.wa.gov/providers-educators/publications-forms-and-research/research-data-and-reports>

The Legislature Claims Ample Funding, But Uses Duplicitous Rubrics

Considering K-12 education, higher education and early learning, our state is short by about \$7 billion a year –\$1,000 per resident per year - compared to what would be necessary to meet our paramount constitutional duty for the education of all children, to build the early learning foundation for their success in K-12, and to enable them to follow their aspirations for higher education. What has the Legislature done? They have clothed an incremental and insufficient funding increase for K-12 education with aspirational promises for future funding. This past July the Legislature increased funding for basic education by \$1.6 billion for the 2017-2019 biennium.

The Legislature claims they have approved a \$7.4 billion increase in funding over four years. They achieve that figure by adding together proposed appropriations for these years. This doesn't mean that in 2021 the state will have \$7.4 billion dedicated to K-12 compared to 2017. At the most, the figure for 2021 is \$2.7 billion, less than half of what would be the "ample funding" required by our constitution. It gets worse. This Legislature has not and cannot determine the budget for the 2019-2021 biennium, so there is no guarantee that the additional increases will be forthcoming. Further, \$440 million of the promoted \$7.4 billion goes to non-basic education funding.²⁶

²⁶ https://waschoolfunding.com/?page_id=197. See also <http://crosscut.com/2017/10/mccleary-washington-school-funding-shutdown-legislature-supreme-court-ruling/>

While congratulating themselves on funding education, the Legislature failed to fund current public responsibilities for higher education, and instead put in place a 2 percent increase in tuition at our state's higher education institutions. And while the focus was on K-12, the Legislature again failed to fund a career and wage ladder for early learning teachers and caregivers, a wage ladder that the Legislature voted into state law in 2005. As a result, the teachers and caregivers of our youngest children work themselves into poverty. This is not a prescription for high quality early learning.

The Legislature has again failed the students, the children, the parents, the constitution, and its own laws in refusing to fully and amply fund education. They have sent a message to our children and their parents that our state is in fact, regardless of rhetoric, unwilling to fund the educational building blocks for full participation in our society and economy for all residents in our state.