



SUPERINTENDENT OF PUBLIC INSTRUCTION

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September 27, 2011

The Honorable Christine O. Gregoire
Governor of Washington
PO Box 40002
Olympia, WA 98504-0002

Dear Governor Gregoire:

We have had many conversations during the past few years regarding education funding, and the reason for this letter will likely come as no surprise to you. I cannot, in good conscience, submit a budget to the office of financial management that is consistent with the requirements that Marty Brown put forth in his instructions. Specifically, submitting a budget that cuts 10% of what OFM has determined to be non-basic education, would be a violation of my constitutional responsibilities and inconsistent with my oath of office. Last year, I was concerned with the budget reduction made as part of HB 2065, as it cut basic education funding for thousands of students simply based on the education delivery model used to meet the student's educational needs. I voiced those concerns in a veto letter. This year, it seems that many other basic education components are being put on the chopping block and I would not be doing my job if I stood idly by as our basic education system was dismantled. Basic education is our highest priority and paramount duty.

OFM identified many of the appropriations as non-basic education incorrectly. These include, but are not limited to, full-day kindergarten, class size reduction funding for high poverty schools, local effort assistance and funding for the mandatory state accountability assessments.

- Full day kindergarten is identified in RCW 28A.150.220 as part of the minimum instructional program of basic education offered by school districts. This statute and the implementation schedule referenced in this statute provide are clear in identifying these instructional hours as a part of basic education.
- RCW 28A.150.260 provides the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education. Section (4)(b) of that statute clearly provides that during the 2011-13 biennium and beginning with schools with the highest percentage of students eligible for free and reduced price meals, the general education average class size for grades K-3 shall be reduced until the average class sized funded is no more than 17.0 students per teacher.
- Levy Equalization funding, local excess levies and local revenues have been used by school districts during the past 30 years to offset reductions in state funding. They now shoulder the burden of basic education costs that should be borne by the State. Specifically, the Legislature recognized in developing and adopting new funding formulae – for student transportation in RCW 28A.160.150 and for education materials, supplies and operating costs

in 28A.150.260 – that it was failing to provide minimum levels of funding necessary to meet its constitutional obligations. Further, as provided in several reports published by OFM, 21% (\$445 million) of local revenues (including levy equalization) is spent for materials, supplies and operating costs, and 6% of this revenue (\$127 million) is spent for pupil transportation.

In addition, local revenue is providing mandatory special education excess costs amounting to another 5% of local revenue (\$112 million). **Cutting levy equalization, when it is being relied upon to fund basic education costs is a cut to basic education.**

- Finally, there are numerous state laws holding schools, teachers and students accountable for the results of student assessments. The Legislature appropriated more than \$82 million this biennium for implementation of those laws. While there may be changes to those laws that would make the system fairer and more predictable, easier to use and understand or more effective for use in system improvement and accountability, I do not believe the changes would make the system less costly. Fewer resources in this area would likely result in a system that is counter to the objectives identified in RCW 28A.655 and RCW 28A.657.

For the above reasons, I have directed staff not to submit a list of options to you that would cut the State's payments for basic education by \$97.3 million as requested. However, my staff has been and will continue to be, available for technical consultation regarding options that you or the Legislative branch may be considering as you make the very difficult decisions that are in front of you. In addition, my staff will work with OFM on developing the maintenance level budget which will assist OFM in its work to determine the overall shortfall in state resources.

I fully recognize that my office will be subject to similar reduction proposals as other state agencies. As has been the case in the past, we will be fiscally responsible and make necessary reductions asked of us in areas where they will be least likely to impact direct support to schools or system accountability.

In the next month, I will be delivering to you my list of budget priorities for your consideration in the budget process. I also will be forwarding to you a small number of budget requests, including proposals designed to promote job growth and economic stimulus in Washington State.

Thank you for your continued dialogue about our education system. I look forward to working together to ensure that all our students, regardless of their zip code or economic status, receive the education support that they deserve under our State's Constitution and Laws.

Sincerely,



Randy I Dorn
State Superintendent
of Public Instruction