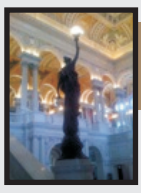


This page provides an overview of **THE ISEMINGER EDUCATION FINANCE PLAN** and its five implementation elements, or **tenets**, that collectively chart an attainable course to fully funding education reform in Washington state. More detail about each tenet and the overall plan, *including all financial modeling*, is available for review and download on the website.



## Tenet 1: Reserve a Portion of Annual Increases in State Revenues for K-12 Education Reform

Dedicate 50% of annual increases in state revenues for K-12 education, until full implementation of basic education reform is complete in 2018.

**Benefit:** Revenues are increased for K-12 education without creating a new tax, nor increasing tax rates.

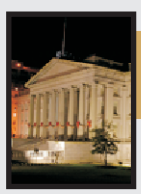


## Tenet 2: Shift the 28% Levy Lid to State Collection

Set all districts to the 28% levy lid collection rate, reduce all grandfathered districts to 28%, and shift those levy collections into the existing \$3.60 state-collected portion of the property tax. Cap local collections to fit within the \$3.60 authority. Create a Local Burden Assistance (LBA) formula, based on the LEA formula, to adjust for and prevent undue tax burdens in low-assessed-valuation districts. Provide two other options - a per-student based option (Option B) and a Uniform Mil Rate option (Option C).

**Benefit:** Provides education revenue in an equitable, consistent manner, most of which is already being collected locally for basic education programs. Uses existing state-based tax authority to collect an already-authorized education tax (the 28% levy lid), and caps collections at the existing \$3.60 authority ceiling. Leverages the LEA formula to apply LBA relief for burdensome tax rates, ensuring equity in contribution. In addition to the LBA-based approach, two additional options for Tenet 2 have been fully modeled: a *per-student* based assessment, and a *statewide uniform mil rate*. All three options are financially modeled on the website.

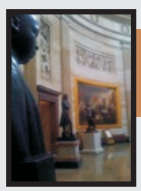
**Note:** See Tenet 5 for the new local levy structure.



## Tenet 3: Use State Bonding to Address Required Capital Improvements

Reserve the increased bonding authority realized with Tenet 2 for K-12 capital improvements, such as new schools, necessary for education reform. Weight assistance toward needy districts, and require local effort to receive matching. Use collections of regionally vetted previously-built stock plans to ensure cost- and instructionally-sound construction efficiencies.

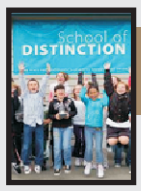
**Benefit:** Enables improved basic education throughout the state, including districts without available space. Promotes financial efficiency by using vetted plans, adjusted architecturally and cost-wise for different regions. Ensures local participation to receive match, but recognizes the need for local assistance.



## Tenet 4: Implement Reform by Funding the Neediest Students First

Since implementation of these programs happen over an eight-year period - from 2010 to 2018 - there is opportunity to fund elements on varied schedules: some elements should be implemented early; some evenly over time, others toward the end.

**Benefit:** Prioritizes funding toward high-impact, high-return program elements that serve the neediest students.



## Tenet 5: Reform Local Levies: Enable Local Participation Without Statewide Disparity

Reform local levy rate lids to 10% or \$1 per \$1,000 of assessed value (AV), *whichever is more*. Retain the Local Effort Assistance (LEA) formula as it is today.

**Benefit:** Retains communities' ability to contribute to local schools, while reducing the levy lid from 28% to 10%. Enables high AV districts to levy on assessed value rather than their student base, and balances levy lid rates with statewide equity among programs.

### Notes: