



## **\$99 million: Recruiting and retaining quality teachers**

*Last year we led the way on full-day kindergarten and K-3 class size reduction — but these achievements mean we need several thousand new, skilled teachers in the next few years.*

### **We need to:**

- Address the teacher shortage crisis.
- Ensure there's a quality teacher in every classroom.
- Keep our promise to fully fund basic education.

### **Increasing beginning teacher salaries: \$56 million**

It's hard to attract bright, new teachers when the starting salary won't allow them to make their student loan payments. This investment will set a minimum salary level for beginning teachers at \$40,000.

### **Rewarding professional certification: \$28 million**

We want to reward our teachers for continuing to better their skills by providing a \$650 annual bonus for teachers who attain their continuing professional certification.

### **Supporting classified staff: \$7 million**

Schools need more than teachers to run effectively and create a good learning environment for kids. We have to retain the quality staff throughout the school, like custodians, para-educators and cafeteria employees.

### **Supporting beginning teachers: \$5 million**

The Beginning Educator Support Team (BEST) provides sustained and purposeful support to educators in the beginning of their careers — a time when they need it most.

### **Fostering professional development for paraeducators: \$3 million**

Our public schools rely on paraeducators, like aides for students with developmental or physical disabilities. Increased training for these important school employees will help with quality recruitment and retention.

### **Staffing our most challenging schools: \$694,800 (beginning in fiscal year 2018)**

The National Board Challenging Schools Bonus gives teachers a financial incentive to work in schools that need good teachers the most, often in low-income areas. This will increase that bonus from \$5,000 to \$5,151 annually, and will be adjusted for inflation each year thereafter.

## Education Workforce Recruitment & Retention Funding Package

	2015-17 (\$ in millions)
Limit Exemption: REET on Foreclosure Sales	\$34.4
Limit Exemption: Sales Tax for Non-Residents	\$21.9
Repeal Exemption: Sales Tax on Bottled Water	\$23.2
Repeal Preferential B&O Rate: Resellers of Prescription Drugs	\$17.6
Repeal Preferential B&O Rate: International Investment Services	\$16.3
Repeal Preferential B&O Rate: Travel Agents & Tour Operators	\$6.1

**Real Estate Excise Tax on Foreclosures** – This would end a real estate excise tax exemption for banks and other lenders when they foreclose on a family’s home. It’s a matter of fairness — an average homeowner owes REET when selling his or her home, so why should banks not have to? Distressed families would still be exempted from this tax.

**Sales Tax for Nonresidents** – This tax exemption prioritizes nonresidents over Washingtonians. Under this repeal, nonresidents could still claim an exemption for purchases over \$25 — allowing them to continue claiming it for big-ticket purchases like motor vehicles — but if you’re a nonresident and you shop in Washington, you should pay our sales tax.

**Sales Tax on Bottled Water** - Sales of bottled water were always subject to sales tax before 2004. This proposal allows for refunds for taxes on sales of prescribed bottled water and sales to persons lacking readily available potable water.

**Resellers of Prescription Drugs** – This preferential B&O tax rate was meant for in-state prescription drug warehouses and resellers that sell to retailers, hospitals, clinics and other health care providers. But now the vast majority of the benefit has been claimed by businesses with mailing addresses outside of the state. Out-of-state drug sellers shouldn’t get a preferential rate for selling drugs to Washington health care providers.

**Travel Agents & Tour Operators** – This preferential B&O tax rate was created in 1975 when travel agents operated under a very different business model. The travel industry has changed dramatically in recent years and now online and out-of-state businesses are the main beneficiaries. No other state offers this tax break.

**International Investment Management Services** – This preferential B&O rate was created when Washington-based investment management businesses were at a competitive disadvantage. They’re not anymore, because of how our tax system has changed, so now the state is just giving a tax break to big investment firms, whether they are located here or halfway around the world. We should prioritize recruiting and retaining quality educators for our public school kids over retaining a tax break for investment brokers.