Investing in Students and Communities through Equitable Learning Assistance Funding Mechanisms

2027-29 Biennium Operating Budget Decision Package

Agency: 350 Office of Superintendent of Public Instruction
Budget period: 2027-29
Budget level: PL

RECOMMENDATION SUMMARY

Students across Washington benefit from accelerated learning and targeted supports, regardless of where they go to school. The Learning Assistance Program (LAP) High Poverty allocation addresses this need but is currently available only to schools meeting a specific poverty threshold, and LAP Base does not account for districts' varying property wealth. The Office of Superintendent of Public Instruction (OSPI) requests $704 million in the 2027-29 biennium to:

- Expand eligibility for school-based LAP to all schools statewide, scaled to poverty concentration;
- Add a property-wealth mechanism to LAP Base; and
- Target a portion of new funding toward math proficiency.

FISCAL DETAIL

Operating Expenditures	FY 2028	FY 2029	FY 2030	FY 2031
General Fund 001-1 (Program 061)	$289,031,000	$412,410,000	$431,837,000	$452,297,000
WA Opp Pathway Fund 17F	$916,000	$1,204,000	$1,233,000	$1,263,000
Total Expenditures	**$289,947,000**	**$413,614,000**	**$433,070,000**	**$453,560,000**
Biennial Totals	**$703,561,000**		**$886,630,000**	
Staffing	**FY 2028**	**FY 2029**	**FY 2030**	**FY 2031**
FTEs	0.0	0.0	0.0	0.0
Average Annual	**0.0**		**0.0**	
Object of Expenditure	**FY 2028**	**FY 2029**	**FY 2030**	**FY 2031**
Obj. N	$289,947,000	$413,614,000	$433,070,000	$453,560,000
Revenue	**FY 2028**	**FY 2029**	**FY 2030**	**FY 2031**

Total Revenue	**$0**	**$0**	**$0**	**$0**
Biennial Totals	**$0**		**$0**	

PACKAGE DESCRIPTION

Student academic achievement is influenced by numerous factors, but the economic strength of an individual community has a massive and multifaceted impact on the educational opportunities available to students in that community and their outcomes. Districts in poorer communities often struggle to raise local funding through the levy process, and at the same time, LAP dollars, which are aimed at these same communities, operate in a manner that leaves many communities with significant unmet need.

Local levies were created and intended for district enrichment expenditures; however, with basic education chronically underfunded, many school districts increasingly rely on these dollars to support their program of basic education. An important and common example is the use of levy dollars to fund staffing needs that go beyond what is generated by the prototypical school funding model. The prototypical model requires a staggering number of students to generate a critical staff position. For example, it takes nearly 5,000 students at the middle school level to generate a single social worker through the model, and that number is simply not sufficient to meet current student needs. Levy dollars are used to patch critical funding gaps, and whether districts can raise any or enough local dollars to fill these gaps has dramatic impacts on educational delivery and the opportunities available to students in that district.

LAP, meanwhile, is Washington's state-funded supplemental instruction program for K–12 students who score lower than their peers in English language arts or math. Statute directs OSPI to provide learning assistance funds to public schools serving students in grades K–12 who score below grade-level standard. Administration of the program centers around helping districts qualify for and receive LAP funds, promoting the use of assessment data in designing interventions, and guiding districts toward effective practices for assisting underachieving students.

LAP funding is distributed through two components: LAP Base, which is a district-wide allocation generated by a district's overall K–12 enrollment and the percentage of students eligible for Free and Reduced-Price meals (F/RP); and a separate high-poverty allocation available only to individual schools within a district that meet a specific poverty threshold. Money allocated through this high-poverty component does not replace LAP Base dollars but is a supplementary allocation that must be spent on the specific schools that generate that additional funding.

What is the problem, opportunity, or priority you are addressing with the request?

This request addresses two elements of the current K-12 funding landscape specifically related to economically disadvantaged communities: LEA and LAP dollars. The current methods for generating and distributing these funds, meant to add flexibility and nuance to school districts' financial situations, continue to leave many districts behind. OSPI's proposal responds to longstanding and persistent inequities with both funding mechanisms and strategies that will help address current and future school funding crises.

Reliance on local levy funding faces two major challenges. The first is that it is an expense left up to local voters who may choose not to approve a proposed levy, in which case the district is left without those funds. There are many reasons a levy might fail, but an important factor is the economic reality of local citizens who may balk at taking on additional tax burdens, especially when inflation and cost-of-living continue to exert significant pressures on families. Where voters do approve local levies, this funding structure faces a second challenge: the amount of levy dollars a district can raise depends primarily on the property tax base of the district. The higher the value of local properties, the more money a local levy can generate, meaning that wealthier districts that pass levies raise more funds than poorer districts, regardless of local need. The legislature has a mechanism in place to support communities with lower property values, Local Effort Assistance (LEA), which works to supplement local levies raised in these districts. But LEA is not part of the constitutionally protected program of basic education and therefore not a reliable, long-term solution for this inequity. It is in fact a temporary enhancement set to expire in the coming years, a reality that will widen the gap between districts that can generate local funding and those that cannot.

District reliance on LAP's high poverty enhancement faces its own challenges as the mechanism currently operates using an all-or-nothing threshold: a school qualifies only if its three-year rolling average F/RP percentage is at or above 50%. Once a district qualifies, it receives a flat amount of additional funding based on enrollment, regardless of whether a school's poverty rate is 51% or 95%, meaning that even qualifying districts do not receive funding calibrated to actual levels of student need. Students in a district where poverty is real but not concentrated enough to meet that 50% mark receive no LAP High Poverty support at all, even if their individual level of need is identical to a peer in a qualifying school. Schools in the highest poverty areas generate the same LAP High Poverty funding as schools with much smaller percentages of F/RP students, meaning that the per-student allocation is lower in those districts, even as the overall economic environment signals higher per-student needs. These binary assumptions leave schools across the state unable to afford the services and interventions that generate stronger outcomes for F/RP students.

At the same time, LAP dollars have become increasingly flexible, allowing districts to use these funds to meet evolving student needs. However, this flexibility erodes the state's ability to use targeted LAP dollars toward specific intervention strategies where statewide learning assistance is urgently needed. An area of student learning in need of attention and support across all grade levels is mathematics. Washington students on average are less proficient in math than they need to be to maintain a competitive advantage in the national and international job markets, limiting their postsecondary options and success. Statewide assessment data show the majority of Washington eighth graders do not meet math standards, and OSPI has identified an increased focus on and funding for math, particularly in late elementary and middle school, as a top priority to protect and improve student outcomes. According to 2024-25 data from the Washington State Report Card, 62.4% of 6th graders demonstrated at least foundational grade-level knowledge in math, down ten percentage points from 2018-19 data. Measuring 2024-25 math assessment scores by grade from grades three through ten also shows that proficiency declines steadily as grade level rises, a trend that does not show up in other subject areas.

District reliance on uncertain and property-dependent local levies, a binary, one-size-fits-all LAP High Poverty funding mechanism, and the inability of LAP dollars to be targeted toward specific learning needs identified at the state level leave Washington schools and students struggling with insufficient intervention strategies that exacerbate longstanding and persistent systemic inequities and student outcomes. Washington must rethink assessment of need and deployment of needs-based resources to better address these gaps and further empower state and local investment in student success.

What is your proposal?

OSPI proposes changes to LAP funding mechanisms that will address challenges faced by district reliance on local levies and LEA, and result in more equitable deployment of LAP resources. With additional funding that addresses the inequity of property values between districts and a binary poverty threshold, school and district LAP allocations will better reflect the needs of their students and communities instead of factors over which families have little to no control. Schools in economically disadvantaged areas of the state will be better equipped to provide targeted interventions tailored to the number, density, and needs of their low-income students through funding mechanisms that account for and scale based on factors tied to community resources.

Using LAP Base to Address Funding Inequities Driven by Local Property Values and Levies

Local property values and community wealth impact size and passage of levies, and LEA is an increasingly insufficient strategy to address these inequities. With LEA threatened by both recent trends in property valuations overall, and an approaching expiration date set by the legislature, this proposal works to mitigate those risks by turning attention instead to LAP funds. OSPI proposes adding a new dimension to LAP Base allocations that includes a district's property tax base and capacity to raise local levy funding as factors generating LAP dollars. The existing LEA framework will be used to identify and calculate this dimension of need, then permanently incorporate property wealth into LAP Base funding, directing approximately $300 million of the total request to LEA-eligible districts, rather than leaving this consideration solely dependent on a temporary, expiring enhancement.

Expanding and Strengthening LAP High Poverty

This proposal aims to close persistent equity gaps driven by a funding landscape that ties a student's access to services to their school’s overall poverty concentration rather than their own need, and a depth-of-need gap, since schools with the highest concentrations of poverty face the most compounding effects of concentrated disadvantage and require deeper investment. Turning to the LAP High Poverty allocation, OSPI proposes replacing the existing 50% threshold with a formula tied to actual F/RP student percentages. Specifically, OSPI requests funding to expand eligibility for the LAP High Poverty allocation to all public schools in Washington, with funding calculated to reflect each school's actual level of poverty. This proposal removes the 50% eligibility threshold and instead scales the instructional hours generated per F/RP-eligible student to each school's overall poverty concentration, driving more money to higher concentrations of poverty. In the 2027-28 and 2028-29 school years, elementary schools receiving increased funding under this proposal must direct 30% of that new funding toward targeted strategies to improve math proficiency.

Addressing Math Learning through LAP High Poverty

As an additional component and condition of this increased LAP High Poverty funding, elementary schools that receive this funding in the 2027-28 and 2028-29 school years must direct 30% of that increase to targeted strategies to improve math proficiency, such as math-focused small-group or one-on-one instruction, extended learning time in math, or math-specific intervention curricula. The remaining 70% of the additional funding, along with any funding that would have been generated under the current model, may be used for any allowable LAP purpose, consistent with existing requirements.

How is your proposal impacting equity in the state?

Please describe in detail how this proposal is likely to benefit communities and populations who have historically been excluded by governmental decisions. Include both demographic and geographic information about communities.

This proposal directly benefits low-income students statewide by removing the 50% F/RP eligibility threshold that currently restricts LAP High Poverty funding to concentrated-poverty schools. Under current law, a low-income student attending a school where poverty is not concentrated, including students in rural, suburban, and smaller districts, receives no supplemental instructional support, even though their need is the same as a peer in a high-poverty school. By allocating funding based on the number of F/RP-eligible students in *every* school rather than a school-wide poverty threshold, this proposal ensures that students receive supplemental instructional support regardless of their zip code.

This proposal also significantly increases the level of support for students in the highest-poverty communities, who continue to face the most concentrated and compounding effects of historically inequitable funding. The proposal increases the instructional hours generated per F/RP-eligible student from 1.1 hours per week to 2.5 hours per week (90 hours annually), more than doubling the intensity of supplemental instruction available to students in schools that already qualify today. This means the communities that have historically experienced the deepest opportunity gaps receive substantially more support under this proposal, not less, even as funding expands to reach students in lower-poverty schools. Together, these changes address both the geographic equity gap, where a student's access to services depends on their school's poverty concentration, and the need for deeper investment in the highest-need communities. This proposal also advances equity along a second dimension: a district's capacity to fund basic education locally.

Districts with lower property values have historically had less capacity to raise local levy funding to fill gaps in state basic education funding, regardless of the underlying need of their students. Left unaddressed, the scheduled expiration of the LEA enhancement, combined with the LEA structure's ongoing decline, would have widened this divide, reducing support precisely for the districts least able to compensate with local dollars. By incorporating property wealth as a formula factor in LAP Base, this proposal ensures a district's capacity to raise local funding does not become an additional, compounding barrier on top of individual student poverty that a district's property wealth does not become an additional, compounding barrier on top of individual student poverty, reinforcing the same principle behind the High Poverty expansion: that support should be driven by need, not by geography or local tax capacity.

Describe how your agency engaged with communities and populations, particularly those who have been historically excluded and marginalized by governmental decisions?

OSPI engaged with the K-12 Funding Equity Workgroup (established under 2025 House Bill 2049), which includes representatives from districts, advocacy organizations, and communities historically underserved by school funding formulas. OSPI also drew on testimony submitted during prior legislative sessions on LAP High Poverty funding, as well as ongoing input from the advocacy community representing low-income students and families statewide.

What input did your agency receive and how was it incorporated into your proposal?

Stakeholders consistently raised concerns that the 50% F/RP eligibility threshold creates a "cliff effect," students with the same level of need receive no support simply because they attend a school where poverty is less concentrated, including many students in rural, suburban, and smaller districts. This input directly shaped the proposal's core design: removing the threshold entirely and replacing it with a formula that scales instructional hours to each school's actual poverty concentration, so that need actually determines funding.

Explain why and how these equity impacts will be addressed, i.e., consider communities or populations excluded or disproportionately impacted by the proposal.

This proposal addresses two distinct equity gaps simultaneously. First, a geographic/structural gap: under current law, a low-income student's access to supplemental instruction depends entirely on their school's overall poverty concentration, not their individual need, meaning otherwise-identical students receive different levels of support based on where they're enrolled. Removing the 50% threshold closes this gap for every school in the state.

Second, a depth-of-need gap: students in the highest-poverty schools face the most compounding effects of concentrated disadvantage. Scaling instructional hours up to 2.5 hours/week (more than doubling today's flat 1.1 hours) ensures these communities receive deeper investment, not less, even as eligibility expands. Together, this proposal expands funding access while increasing intensity of support where need is greatest. A related, district-level gap is also addressed by adding district property wealth as a formula factor in LAP Base, ensuring that a district's capacity to raise local levy dollars does not compound the disadvantage already faced by its low-income students.

What are you purchasing and how does it solve the problem?

Using LAP Base to Address Funding Inequities Driven by Local Property Values and Levies

This proposal distributes funds generated by a new formula component within LAP Base: a mechanism that accounts for a district's property tax base and local levy capacity as a second, district-level driver of need alongside student poverty. Just as a student's individual poverty affects their need for supplemental instruction, a district's collective property wealth affects its capacity to supplement state basic education funding with local dollars, and this proposal builds that consideration directly into LAP Base for the first time. Using the existing LEA framework to identify and calculate each district's property-wealth need, this piece directs approximately $300 million of the total request into LAP Base for LEA-eligible districts, permanently embedding property wealth as a factor in Learning Assistance Program funding rather than leaving it dependent on a separate, temporary mechanism.

Expanding and Strengthening LAP High Poverty

This proposal purchases additional certificated and classified instructional staff time under the existing LAP High Poverty staffing model, extended for the first time to every public school in Washington rather than only schools at or above the current 50% Free/Reduced-Price (F/RP) meals threshold. Instead of a flat 1.1 hours per week per F/RP-eligible student available only in high-poverty schools, funding will scale up to 2.5 hours per week (90 hours annually) per F/RP-eligible student based on each school's poverty concentration. This mechanism will ensure schools with the highest concentrations of need see the largest increases in staff time, while schools previously locked out by the threshold gain access to services for their F/RP students for the first time.

This change takes effect starting in FY 2028, growing from $176.1 million to $242.8 million by FY 2031, and reaches every F/RP-eligible student statewide. Because delivery uses the same LAP staffing model already in place in eligible schools today, the proposal can scale statewide without building a new program from scratch. In the first two years (2027-28 and 2028-29 school years), schools receiving increased funding must direct 30% of that increase toward targeted strategies to improve math proficiency. Because LAP High Poverty dollars are concentrated in schools serving the highest shares of low-income students, and math performance gaps tend to be most pronounced in those same schools, this targets new resources at the subject where the state's low-income students most need additional instructional support, without displacing districts' flexibility to use the remaining 70% according to local student needs.

Addressing Math Learning through LAP High Poverty

This proposal purchases targeted learning assistance supports for math instruction over the next two years by directing 30% of new LAP High Poverty funding toward math-focused small-group or one-on-one instruction, extended learning time in math, math-specific intervention curricula, and other identified strategies for improving student math proficiency.

What alternatives did you explore and why was this option chosen?

OSPI considered replacing the current binary eligibility threshold with a tiered structure, with several F/RP percentage bands, each generating a different flat level of funding as outlined in OSPI's 2025 agency request legislation, Senate Bill 5120. A tiered approach would have been an improvement over the current all-or-nothing cliff, but it would still create smaller versions of the same problem: schools just below a tier boundary would receive meaningfully less funding than schools just above it, even when their actual level of need is nearly identical. A continuous formula tied to each school's actual F/RP percentage avoids this by ensuring funding scales directly with need, with no arbitrary boundaries and no students whose support depends on which side of a line their school happens to fall on.

Without this investment, the current 50% F/RP eligibility threshold remains in place, and students with equivalent levels of need continue to receive dramatically different levels of support based solely on their school's overall poverty level. Students needing additional academic support in districts where poverty is real but not concentrated enough to meet the threshold would continue to receive no LAP High Poverty support at all. The opportunity gap between low-income students and their peers would persist without the additional, more intensive instructional time this proposal provides to the highest-poverty schools.

For the property-wealth component, OSPI also considered requesting the legislature to simply extend the enhancement or make it permanent rather than incorporating it into LAP Base. That approach would have preserved current funding levels for LEA districts but would have left property wealth disconnected from instructional funding for the low-income students LAP is designed to serve, embedding this factor directly into LAP Base ties district funding capacity to the same student-focused formula driving the rest of this proposal.

What resources does the agency already have that are dedicated to this purpose?

OSPI already administers LAP High Poverty and LAP Base through the state's existing school apportionment system, using the same staffing model, statutory framework, and administrative processes in place today. Because funding is generated and distributed through a formula, OSPI does not have discretion to adjust eligibility, instructional hours, or allocation amounts without legislative change.

ASSUMPTIONS AND CALCULATIONS

Expansion, reduction, elimination or alteration of a current program or service:

This proposal represents a significant change to, and expansion of, LAP funding mechanisms. Current and past funding are included in the prototypical funding model.

Detailed assumptions and calculations:

LAP Base

Using current projections for Assessed Valuations in school districts and existing statutes for the calculation of LAP, and assuming the Legislature does not continue to provide the inflation enhancement that is included for calendar year 2027, OSPI projects that Local Effort Assistance will decrease as follows:

FY 2026-27

- $260 million

FY 2027-28

- $152 million

FY 2028-29

- $90.4 million

FY 2029-30

- $83 million

FY 2030-31

- $75 million

OSPI's proposal is to maintain the FY 2026-27 investment at $260 million, increased by IPD to allow districts to maintain purchasing power. OSPI assumes the IPD will be approximately 2.4% for each year.

This proposal would result in the following policy level investment in Washington's students:

FY 2028 - $113.8 million

- *Program 061 Learning Assistance Program*

FY 2029 - $182.1 million

- *Program 061 Learning Assistance Program*

FY 2030 - $196.0 million

- *Program 061 Learning Assistance Program*

FY 2031 - $210.8 million

- *Program 061 Learning Assistance Program*

LAP High Poverty

The LAP High Poverty allocation is calculated based on an additional 90 hours per school year (2.5 hours per week) for the number of F/RP eligible students in the school. This proposal does not change the existing formula with respect to assumed class sizes for LAP instruction, number of hours for teachers, or other elements used to calculate the school allocation.

To calculate the state fiscal year costs, OSPI calculated the cost of this proposal for the 2026-27 school year to be $222 million. OSPI escalated these costs by 2.4% each year thereafter to address inflation. OSPI then adjusted the school year costs based on the apportionment allocations for each state fiscal year.

OSPI used the following assumptions for the calculations in this decision package:

- Total Annual Average Full Time Equivalent (AAFTE) Students including Transition to Kindergarten Enrollment from the 2025-26 school year as reported in March 2026: Total Statewide 1,062,106
- Three-year average Free and Reduced-Price (F/RP) meals eligibility (FRPL) in schools from March 31 of each year from 2024, 2025, and 2026: Average statewide percentage by school is 47.66%.
- Each school funding amount is calculated by the following steps:
    1. Multiply the individual school AAFTE enrollment times the individual school F/RP

2. Multiply the result by 2.5 hours per week times 36 weeks divided by 900 hours of instruction per year per teacher divided by an assumed class size of 15, rounded to 3 decimal places. This result is the number of formula certificated staff units provided to the school.
3. Multiply the formula staff units calculated for the school by the prototypical salary and benefit rates as provided in the enacted budget for the 2026-27 school year. This results in the amount of funding provided to each school for the high poverty LAP program.

The total cost of the proposal is the result of the sum of all funding provided under this calculation, less the sum of the amounts currently provided for high poverty school allocations in the current funding model.

This proposal would result in the following policy level investment in Washington's students:

FY 2028 - $176.1 million

- Program 061 Learning Assistance Program

FY 2029 - $231.5 million

- Program 061 Learning Assistance Program

FY 2030 - $237.1 Million

- Program 061 Learning Assistance Program

SFY 2031 - $242.8 Million

- Program 061 Learning Assistance Program

Workforce assumptions:

None.

Historical funding:

Fiscal Year 2028

- FTE = 0.0 FTE
- Total Funds = $531 million
- Near General Fund = $531 million
- Other Funds = $0 million

Fiscal Year 2029

- FTE = 0.0 FTE
- Total Funds = $527 million
- Near General Fund = $527 million
- Other Funds = $0 million

STRATEGIC AND PERFORMANCE OUTCOMES

Strategic framework:

Washington State Constitution

This priority references the Washington State Constitution, which declares that "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." The proposal supports Washington's paramount duty by extending supplemental instructional support to every low-income student, not just those concentrated in high-poverty schools, and by permanently accounting for district property wealth as a factor in basic education funding.

Governor Ferguson's Priorities

This request supports one of Governor Ferguson's strategic goals.

Goal 1 – Education

Strengthening K-12 education in the state of Washington, which includes plans to invest a higher percentage of the total budget in K-12 education to ensure a strong start for Washington's younger residents. This priority references the Washington State Constitution, which declares that "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, colors, caste, or sex."

OSPI Strategic Goals

This proposal directly supports the first of OSPI's four strategic goals, with primary alignment to the agency's commitment to "eliminating opportunity gaps and supporting students furthest from educational justice".

Goal 1: Equitable Access to Strong Foundations

This proposal also directly advances *Equitable Access to Strong Foundations* — OSPI's strategic goal focused on ensuring all students, regardless of school or zip code, have access to the instructional supports needed to build core skills. By scaling instructional hours to each school's poverty concentration rather than applying a flat eligibility cliff, and by addressing local funding capacity through a new LAP Base mechanism, the proposal also reinforces *A Committed, Unified, and Customer-Focused OSPI*, since it replaces an inconsistent, threshold-based funding structure with one applied predictably and equitably to every district.

Prior Legislative Commitments

2025 House Bill 2049

This proposal supports the intent and recommendations from the K-12 Funding Equity Workgroup established by 2025 House Bill 2049.

RCW 28A.165
This proposal centers on legislative intent in establishing LAP in 2004.

Performance outcomes:

By removing the 50% F/RP eligibility threshold, this proposal extends LAP High Poverty funding to every public school in Washington, replacing a flat 1.1 hours/week benefit with a scaled allocation of up to 2.5 hours/week (90 hours annually) tied to each school's poverty concentration.

Schools with the highest concentrations of low-income students will see the largest increases in per-student instructional time, while schools previously excluded entirely will receive support for the first time. In the 2027–28 and 2028–29 school years, schools receiving increased funding must direct a portion of it toward targeted math proficiency strategies, creating a near-term, measurable academic outcome tied to the new investment. In parallel, approximately $300 million of this request permanently embeds property wealth as a formula factor in LAP Base, ensuring districts with lower local levy capacity receive dedicated, ongoing support rather than relying on a temporary mechanism subject to expiration.

OTHER COLLATERAL CONNECTIONS

Intergovernmental:

None.

Stakeholder impacts:

This proposal is supported by members of the K-12 Funding Equity Workgroup.

Legal or administrative mandates:

2025 House Bill 2049 directs OSPI to "convene a K-12 funding equity work group to analyze K-12 funding formulas and revenue sources and explore options for revisions to the funding formula that are responsive to student needs, including economic, demographic, and geographic differences in student and community populations."

Changes from current law:

This change would require legislation to amend statutes in LAP, primarily RCW 28A.150.260 and RCW 28A.165.

State workforce impacts:

None.

State facilities impacts:

None.

Puget Sound recovery:

N/A

Governor’s salmon strategy:

N/A

OTHER SUPPORTING MATERIALS

Information technology (IT):

N/A