

# SENATE BILL REPORT

## SHB 1418

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As of March 20, 2009

**Title:** An act relating to establishing a statewide dropout reengagement system.

**Brief Description:** Establishing a statewide dropout reengagement system.

**Sponsors:** House Committee on Education (originally sponsored by Representatives Kagi, Priest, Sullivan, Walsh, Pettigrew, Roberts, Dickerson, Quall, Seaquist, Sells, Appleton, Hunt, Haler, Pedersen, Orwall, Ormsby, Hasegawa, Conway, Kenney, Maxwell, Santos, Probst, Driscoll, Goodman and Nelson).

**Brief History:** Passed House: 3/06/09, 82-13.

**Committee Activity:** Early Learning & K-12 Education: 3/16/09, 3/19/09 [DP-WM, DNP].  
Ways & Means:

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### SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators McAuliffe, Chair; Kauffman, Vice Chair, Early Learning; Oemig, Vice Chair, K-12; Hobbs, Jarrett, McDermott and Roach.

**Minority Report:** Do not pass.

Signed by Senators King, Ranking Minority Member; Holmquist.

**Staff:** Kimberly Cushing (786-7421)

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Elise Greef (786-7708)

**Background:** Students are eligible to receive education in a public school until the age of 21 or completion of a high school diploma, whichever is sooner. School districts have broad authority to contract with colleges, community-based organizations, or other education providers to provide educational services. School districts that use Basic Education dollars for these services must meet certain criteria established by rules that are intended to assure that the contracted services meet the purpose of basic education program requirements.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

In the Building Bridges Dropout Prevention, Intervention, and Retrieval Workgroup's 2008 report to the Legislature, one of the recommendations was to establish a statewide dropout retrieval system with a single, comprehensive regulatory framework to govern retrieval programs. The recommendation included establishing authority for regional partnerships and designation of a lead agency in the region to contract for services and programs.

**Summary of Bill:** A statewide dropout reengagement system is created to provide education and services to older youth who have dropped out of school or are not expected to graduate from high school by the age of 21. Under the system, Educational Service Districts (ESDs) act as brokers and managers of model interlocal agreements and contracts between school districts and dropout reengagement program providers. Program providers may be community and technical colleges or community-based organizations. School districts are required to make high quality dropout reengagement programs available to eligible students, either directly or under contract or agreement. Entering a model interlocal agreement with the local ESD accomplishes these requirements.

Students eligible for dropout reengagement programs are those aged 16 to 21 who are so credit deficient that completion of a high school diploma before age 21 is not reasonable, or are recommended by social service or juvenile justice system case managers. Students must enroll in their resident school district.

Dropout reengagement programs must offer academic instruction, including GED preparation, academic skills, and college and work readiness preparation that generates high school credit for a school district diploma or a diploma issued by a college; instruction by certified teachers or college instructors whose credentials are established by the college; case management, counseling, and resource and referral services; and opportunity for qualified students to enroll in college courses tuition-free if the program provider is a college. Program providers must also comply with the accountability requirements of the model contract, as well as cooperate with the resident school district or the ESD in cases where special education services are needed.

Under the system, the ESDs have the following responsibilities: identify and contract with program providers in the region, create partnerships, and identify other sources of funding that could be leveraged for the program; serve as liaison between school districts and program providers; monitor program performance and compliance with contract terms; manage enrollment and student data reporting and financial billing to the state on behalf of school districts; and work to assure students can earn high school credit through the programs. An ESD can create a separate agreement with a school district to provide special education services for students in the programs but must manage these agreements separately from the dropout reengagement system agreements to avoid a conflict of interest.

School districts which enter the interlocal agreement for the dropout reengagement system must enroll and refer eligible resident students; provide special education services based on a student's individualized education program in cooperation with the program provider or under separate contract with the ESD; and provide student data to the ESD as necessary for the ESD to manage the program on the district's behalf.

The Office of the Superintendent of Public Instruction (OSPI), in consultation with stakeholders, must create statewide model contracts and interlocal agreements, which include common performance measures, to be used in the dropout reengagement system. OSPI must adopt rules for the program that clarify student eligibility and minimum instructional staffing ratios for programs offered by community-based organizations. OSPI must also provide information on its website describing high quality dropout reengagement programs for guidance to school districts that choose to offer similar programs rather than enter an agreement with the ESD.

Workforce Development Councils are encouraged to develop strategies for leveraging workforce investment funding with funding for dropout reengagement programs, participate in offering programs and services, and work with the ESDs.

OSPI must allocate the per-FTE student basic education funding, plus the Student Achievement Fund allocation, to the ESD directly for each FTE student enrolled in a dropout reengagement program. The basic education funding is calculated on a statewide average rate and includes vocational program enhancements. The ESD retains 5 percent of the allocation for administration, and the school district receives 2 percent of the allocation. The remainder goes to program providers through the model contract for program operation. For all other funding, including the state special education excess cost allocation, students enrolled in the dropout reengagement program are considered regularly enrolled students of the resident district, but they do not count against a district's basic education staffing ratio compliance.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony (Early Learning & K-12 Education):** PRO: Many of the students who benefit from reengagement programs have exhausted all their options in high school or are not interested in returning to a traditional high school setting and would not otherwise graduate from high school. A student's decision to leave school results from a complex combination of adverse factors that includes more than academic challenges: for instance, social, emotional, and health problems, unfavorable school conditions, economic issues, and problems relating to family and friends. Many students who drop out may have special education needs. Mitigating these barriers before students fail and reengaging students once they become vulnerable is critical.

Reengagement programs provide another pathway to allow students to succeed. Students receive education, special education, guidance from counselors, and help applying for internships and jobs. These programs provide students a second chance to make something of themselves. Reengagement programs make business sense. When an individual graduates from high school or the equivalent, it provides a tremendous economic benefit to our

communities; students who graduate provide extra tax revenue, health savings, welfare savings, and crime savings.

Currently, there are several programs that are in community and technical colleges or are community-based that provide pathways for students to earn a high school degree, but there is no appropriate statutory framework in place. Programs at community and technical colleges are in jeopardy without additional support. The reengagement programs have different contracting rates, measurements for outcomes, and ways for ensuring accountability. Schools are overburdened and community networks can leverage funds to help with reengagement.

OTHER: Building Bridges was designed to bring forward new programs that are shown to work. This bill deals with kids who have already dropped out. There are costs to society if these kids are not brought back to the education system. While it is good to put into statute the parameters for such programs, where are the resources to do this? Using I-728 funds for this program is concerning.

**Persons Testifying (Early Learning & K-12 Education):** PRO: Representative Kagi, prime sponsor; Shoubee Liaw, Lee Lambert, Pat Martinez Johnson (Learning Center North), Mariko Kakiuchi (Career Education Options), Heather Hanson (former student), Guillermo Quinteros (student), Joshua Durkee (student), Shoreline Community College; Michael Tate, State Board for Community and Technical Colleges; Keith Cernak, Community Network Coalition; Christie Perkins, Washington State Special Education Coalition.

OTHER: Wes Pruitt, Workforce Board; Barbara Mertens, Washington Association of School Administrators.