## SECOND SUBSTITUTE SENATE BILL 6117

State of Washington 66th Legislature 2020 Regular Session

By Senate Ways & Means (originally sponsored by Senators Wellman, Dhingra, Hunt, Kuderer, Pedersen, Saldaña, and Wilson, C.; by request of Superintendent of Public Instruction)

READ FIRST TIME 02/11/20.

- AN ACT Relating to special education; amending RCW 28A.150.390
- 2 and 28A.150.392; adding a new section to chapter 28A.155 RCW; and
- 3 adding a new section to chapter 28A.320 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 28A.150.390 and 2019 c 387 s 4 are each amended to 6 read as follows:
- 7 (1) The superintendent of public instruction shall submit to each 8 regular session of the legislature during an odd-numbered year a 9 programmed budget request for special education programs for students 10 with disabilities. Funding for programs operated by local school 11 districts shall be on an excess cost basis from appropriations 12 provided by the legislature for special education programs 13 students with disabilities and shall take account of state funds 14 accruing through RCW 28A.150.260 (4)(a), (5), (6), and (8) and 15 28A.150.415.
- 16 (2) The excess cost allocation to school districts shall be based 17 on the following:
- 18 (a) A district's annual average headcount enrollment of students 19 ages birth through four and those five year olds not yet enrolled in 20 kindergarten who are eligible for and receiving special education,

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- 1 multiplied by the district's base allocation per full-time equivalent 2 student, multiplied by 1.15;
  - (b) (i) Subject to the limitation in (b) (ii) of this subsection (2), a district's annual average enrollment of resident students who are eligible for and receiving special education, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, multiplied by the district's base allocation per full-time equivalent student, multiplied by the special education cost multiplier rate of:
- 10 (A) In the 2019-20 school year, 0.995 for students eligible for 11 and receiving special education.
  - (B) Beginning in the 2020-21 school year, either:
  - (I) ((1.0075)) <u>1.0251</u> for students eligible for and receiving special education and reported to be in the general education setting for eighty percent or more of the school day; or
  - (II) 0.995 for students eligible for and receiving special education and reported to be in the general education setting for less than eighty percent of the school day.
  - (ii) If the enrollment percent exceeds thirteen and five-tenths percent, the excess cost allocation calculated under (b)(i) of this subsection must be adjusted by multiplying the allocation by thirteen and five-tenths percent divided by the enrollment percent.
    - (3) As used in this section:

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- (a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (4)(a), (5), (6), and (8) and the allocation under RCW 28A.150.415, to be divided by the district's full-time equivalent enrollment.
- (b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.
- 35 (c) "Enrollment percent" means the district's resident annual 36 average enrollment of students who are eligible for and receiving 37 special education, excluding students ages birth through four and 38 those five year olds not yet enrolled in kindergarten and students 39 enrolled in institutional education programs, as a percent of the

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- 1 district's annual average full-time equivalent basic education 2 enrollment.
- **Sec. 2.** RCW 28A.150.392 and 2019 c 387 s 2 are each amended to 4 read as follows:

- (1) (a) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.
- (b) If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need.
- 13 (2) Safety net funds shall be awarded by the state safety net 14 oversight committee subject to the following conditions and 15 limitations:
  - (a) The committee shall award additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas.
- 20 (b) In the determination of need, the committee shall consider 21 additional available revenues from federal sources.
  - (c) Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.
    - (d) In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for students eligible for special education and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards associated with (e) and (f) of this subsection shall not exceed the total of a district's specific determination of need.
    - (e) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.
- 38 (f) Using criteria developed by the committee, the committee 39 shall then consider extraordinary costs associated with communities

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that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (2)(f) shall be adjusted to reflect amounts awarded under (e) of this subsection.

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- (g) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education served in residential schools as defined in RCW 28A.190.020, programs for juveniles under the department of corrections, and programs for juveniles operated by city and county jails to the extent they are providing a secondary program of education.
- (h) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.
- (i) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.
- (j) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.
- (3) The superintendent of public instruction shall adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. By December 1, 2018, the superintendent shall review and revise the rules to achieve full and complete implementation of the requirements of this subsection and subsection (4) of this section including revisions to rules that provide additional flexibility to access community impact awards. Before revising any standards, procedures, or rules, superintendent shall consult with the office of financial management fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical

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assistance to school districts in preparing and submitting special education safety net applications.

- (4) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.
- (5) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:
- (a) One staff member from the office of the superintendent of public instruction;
- (b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and
- (c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.
- (6) (a) Beginning in the 2019-20 school year, a high-need student is eligible for safety net awards from state funding under subsection (2) (e) and (g) of this section if the student's individualized education program costs exceed two and three-tenths times the average per-pupil expenditure ((as defined in Title 20 U.S.C. Sec. 7801, the every student succeeds act of 2015)).
- (b) Beginning in the 2020-21 school year, the average per pupil expenditure used to determine safety net award eligibility for a high-need student is the lesser of:
- (i) The average per-pupil expenditure calculated using the methodology defined in 20 U.S.C. Sec. 7801, the every student succeeds act of 2015; or
  - (ii) The average per-pupil expenditure calculated using the methodology defined in 20 U.S.C. Sec. 7801, the every student succeeds act of 2015, using only the expenditure and average daily attendance data for the subset of districts receiving the same salary regionalization factor as the high-need student's district, as determined under RCW 28A.150.412 and the omnibus operating appropriations act.

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- 1 (c) When calculating the average per pupil expenditure for safety
- 2 <u>net eligibility purposes, safety net funding provided in this section</u>
- 3 must be excluded.

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- 4 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 28A.155 5 RCW to read as follows:
- 6 (1) School districts are encouraged to participate in the 7 establishment or continuation of existing cooperative programs 8 between or among school districts, or educational service districts 9 and school districts, to provide special education and services to 10 eligible students with disabilities.
- 11 (2) Prior to the 2021-22 school year and every five years 12 thereafter, each special education cooperative must apply for 13 approval of the program by the superintendent of public instruction.
- NEW SECTION. Sec. 4. A new section is added to chapter 28A.320 RCW to read as follows:
- 16 (1) Each school district shall convene an ongoing special 17 education advisory committee. The purposes of the committee are to:
  - (a) Increase parental and family involvement by providing a forum for parents, families, and the community to ask questions, propose solutions, and otherwise give feedback on the special education program in their schools; and
- 22 (b) Be a partner with the school district in its efforts to 23 provide effective special education programming for eligible students 24 with disabilities.
- 25 (2) The committee must be appointed by the school board of 26 directors and shall advise the school board through the school 27 district superintendent.
- 28 (3) At a minimum, a majority of the committee members must be 29 parents of children with disabilities or individuals with 30 disabilities. The committee must also include one member who is a 31 teacher. Additional school or school district personnel must serve 32 only as consultants to the committee.
  - (4) The committee has the following duties:
- 34 (a) Advise the school district of needs in the education of 35 children with disabilities;
- 36 (b) Participate in the development of priorities and strategies 37 for meeting the identified needs of children with disabilities;

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(c) Facilitate partnerships with community employers to provide appropriate transition services;

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- (d) Facilitate trainings, by experienced outside consultants not employed by the school district, at least two times per school year to families of children with disabilities to teach families how to advocate for their child and to teach students with disabilities how to self-advocate;
- (e) Submit periodic reports and recommendations to the school district superintendent for transmission to the school district board of directors regarding the education of children with disabilities;
- (f) Assist the school district in interpreting plans to the community for meeting the special needs of children with disabilities for educational and transition services; and
- (g) Review the school district proposed policies and procedures for the provision of special education and related services prior to submission to the school district board of directors.
- (5) Committee meetings must be held at least four times in a school year and shall be open to the public.
- 19 (6) The school district must post on its web site: The names of 20 the committee members; the committee meeting schedule and agendas; 21 and information on the process for interested parties to express 22 their views to the committee.

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