

HOUSE BILL REPORT

HB 2551

*As Reported By House Committee on:
Education*

Title: An act relating to special educational services demonstration projects.

Brief Description: Changing provisions relating to special educational services demonstration projects.

Sponsor(s): Representatives H. Sommers, Peery, Brough and Valle.

Brief History:

Reported by House Committee on:
Education, February 3, 1992, DPS.

**HOUSE COMMITTEE ON
EDUCATION**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 19 members: Representatives Peery, Chair; G. Fisher, Vice Chair; Brough, Ranking Minority Member; Vance, Assistant Ranking Minority Member; Betrozoff; Broback; Brumsickle; Carlson; G. Cole; Dorn; P. Johnson; Jones; J. Kohl; Neher; Orr; Rasmussen; Roland; H. Sommers; and Valle.

Staff: Robert Butts (786-7111).

Background: In 1991, legislation was passed (ESHB 1329) that authorized school district demonstration projects intended to promote the blending of funds to improve the provision of services to students who qualify for learning disabled, bilingual, learning assistance and other special need funds. The legislation also was intended to reduce the need to complete lengthy assessments of students before they qualify for the learning disabled special education status, and to reduce the number of students labeled as special education students.

One problem with not categorizing or "labeling" students is determining the amount of categorical funds that should be allocated to school districts for these students. The 1991 legislation provided that the allocation for learning disabled students be based on an average of the previous three years. Under this formula, if projects do result in

less labeling, state handicapped allocations to school districts would be reduced over time. The intent of the original legislation was to be revenue neutral and not penalize schools for labeling fewer students.

Summary of Substitute Bill: Language is added to clarify that the intent of the Special Education Services Demonstration projects is to discourage unnecessary labeling of students while still providing state funding for needed services.

A distinction is made between projects that are intended to reduce labeling and those that are not. For projects that are reducing labeling, handicapped funding during and two years after the project will be based on the district's average K-12 percentage handicapped enrollment during the 1991-92 school year. For new projects, funding would be based on the handicapped enrollments of the previous school year.

This act expires January 1, 1996.

Substitute Bill Compared to Original Bill: For funding purposes, a distinction is made between projects that are intended to reduce labeling and those that are not. The proposed funding changes will apply to those projects designed to reduce unnecessary labeling.

Fiscal Note: Requested on substitute February 4, 1992.

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

Testimony For: It was not intended that school districts participating in these projects would lose funding: the intent was to be revenue neutral. For these projects to be successful a stable funding base is needed.

Testimony Against: None.

Witnesses: Matt Temmel, Legislative Budget Committee (supports).