

# HOUSE BILL REPORT

## HB 1329

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*As Reported By House Committee on:  
Education*

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

**Brief Description:** Authorizing special educational services demonstration projects.

**Sponsor(s):** Representatives H. Sommers, Holland, Locke, Silver, Brekke, Peery, Ebersole, Fuhrman, Cole, Phillips and R. King; by request of Legislative Budget Committee.

**Brief History:**

Reported by House Committee on:  
Education, February 13, 1991, DPS.

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**HOUSE COMMITTEE ON  
EDUCATION**

**Majority Report:** *That Substitute House Bill No. 1329 be substituted therefor, and the substitute bill do pass.*

Signed by 16 members: Representatives Peery, Chair; G. Fisher, Vice Chair; Brough, Ranking Minority Member; Betrozoff; Broback; Cole; Dorn; P. Johnson; Jones; Neher; Orr; Phillips; Rasmussen; Roland; H. Sommers; and Valle.

**Staff:** Susan Kirkpatrick (786-7291).

**Background:** The Legislative Budget Committee has reviewed and issued a report regarding students in the learning disabled (LD) category of special education. Specifically, they looked at the cost of identifying LD students, means of determining program eligibility, effectiveness of services, and student characteristics. The Legislative Budget Committee concluded that:

- 1) The assessment process for identifying students as LD is expensive and has little diagnostic or programmatic value. The process absorbs resources that could be spent on instruction.
- 2) Programs for LD and other mildly handicapped students provide little information on student outcomes or program effectiveness.

3) Many students identified as LD are educationally similar to low-achieving students in other categorical programs.

***Summary of Substitute Bill:*** The intent of the bill is to encourage school districts to develop innovative special services demonstration projects that use resources efficiently and increase student learning.

#### SELECTION ADVISORY COMMITTEE

A Selection Advisory Committee (composed of representatives from the House, Senate, Superintendent of Public Instruction, Office of Financial Management, the Washington Special Education Coalition, and the Washington Education Association) does the following:

- a) Develops the criteria for selecting demonstration projects;
- b) Issues requests for proposals to the school districts applying for the demonstration projects;
- c) Reviews the proposals and recommends prospective demonstration projects for approval by SPI; and,
- d) Reports annually on the status of the demonstration projects to the Legislative Budget Committee and the appropriate policy and fiscal committees of the House and Senate.

#### Superintendent of Public Instruction (SPI)

SPI does the following:

- a) Makes the awards for demonstration projects and for in-service training;
- b) Provides technical assistance;
- c) Grants waivers;
- d) Contracts with participating school districts and makes contract payments;
- e) Evaluates the projects themselves or by contract after conferring with the Selection Advisory Committee on the evaluation design; and,
- f) Reports to the Legislature by December 31, 1991 (interim report) and by December 31, 1995 (final report).

#### FUNDING

Project funding may include state, federal, and local funds and is to be specified by the district in its project cost proposal and negotiated in the project contract. SPI shall include all project funding in a project contract and disburse the funds as contract payments.

With respect to state funding, the state handicapped funding, learning assistance program (LAP) funding, and transitional bilingual program funding allocated for the students served in the demonstration projects are included in the project funding. The state handicapped funding is based on the average percentage of the kindergarten through 12th grade enrollment in the particular handicapped category during the two years before the award, unless the school district participated in the 1989 Pilot Project for the Prevention of Learning Disabilities. Project funding for school districts that participated in the 1989 Pilot Project is based on 4 percent of the kindergarten through 12th grade enrollment considered as specific learning disabled, without regard to the actual number of students so identified. LAP allocations are calculated for project districts according to the funding formula in use for other districts. Bilingual program allocations are based on the average percentage of the kindergarten through 12th grade enrollment in the transitional bilingual program during the two years before the award.

State funds can be used both for categorical and noncategorical purposes. State handicapped funds up to the level required by federal maintenance of effort rules are required to be expended for services to handicapped students in the project. Allocations greater than the amount needed to comply with federal maintenance of effort rules are designated as noncategorical project funds and may be expended on services to any students served in the project. Allocation increases in the LAP and bilingual funds above the fiscal year 1992 amount are to be designated as noncategorical project funds and may be expended on services to any student served in the project. SPI is required to create new and discrete program or subprogram codes for the expenditures of noncategorical project funds, to be effective by September 1, 1991.

Both federal funding (under the federal elementary and secondary school improvement amendments and federal handicapped funds) and local funding may be designated by a project district for projects use if the amounts are justified in the district's cost proposal and included in the contract amount.

#### EXPIRATION

The provisions of the bill will expire January 1, 1996.

#### RELATED BILL

The Education Committee is recommending Substitute House Bill 1328, a related bill which provides the appropriation for this bill.

**Substitute Bill Compared to Original Bill:** In the original bill, a Project Oversight Board was given the major responsibilities and SPI was directed to assist the Project Oversight Board. In the substitute bill, the Project Oversight Board is eliminated and its responsibilities are divided between SPI and a new Selection Advisory Committee. The Selection Advisory Committee is responsible for developing the selection criteria, issuing requests for proposals, and reviewing and recommending the proposals. SPI is responsible for making the demonstration project awards, providing technical assistance, granting waivers, making contract payments and evaluating the demonstration projects after conferring with the Selection Advisory Committee. Both are required to report to the Legislature.

School districts participating in the 1989 Pilot Project for the Prevention of Learning Disabilities are specifically addressed in the substitute bill, the Legislature recognizing the importance of continuing and developing the pilot projects. School districts participating in the 1989 Pilot Project that are selected for a demonstration project will receive project funding based on 4 percent of the kindergarten through 12th grade enrollment considered as specific learning disabled. In the original bill, the 1989 Pilot Project was not specifically addressed and the amount of project funding was to be negotiated if the school district had participated in prior pilot projects.

Federal handicapped funding can be included in project funding under the substitute bill and was not referenced in the original bill. Transitional bilingual program funding is based on the average percentage of the K-12 grade enrollment in the transitional bilingual program during the two years before the award in the proposed substitute bill and was based on a negotiated percentage of K-12 enrollment in the original bill.

A null and void provision was added in the substitute bill.

**Fiscal Note:** Requested for Substitute on February 13, 1991.

**Effective Date of Substitute Bill:** The bill takes effect July 1, 1991.

**Testimony For:** Under the current system, there is too much time and money spent collecting data and not enough time and money spent helping kids. The bill will result in less labelling and assessment and more teaching and learning.

The bill will encourage innovation in special services. Providing and funding staff development is an important component.

**Testimony Against:** None.

**Witnesses:** Christie Perkins, Special Education Coalition (in favor); John Pearson, Superintendent of Public Instruction (in favor); Judy Hartman, Washington Education Association (in favor but suggested that the oversight group include practitioners and parents); Dwayne Slate, Washington State School Directors' Association (in favor); Diane Barkoll, Council for Administrators of Special Education (in favor); Dennis Matthews, Special Education Director for ESD-112 (in favor but suggested that cooperatives between school district and extension of the LAP program to all of K-12 be considered); Stillman Wood, Olympia School District Administrator (in favor); Edward Vargas, Seattle Public Schools (in favor but suggested that the oversight board include parent advisory and local education groups and the rural and suburban districts be included in the demonstration projects); Mary Hines, Reading Reform Foundation (in favor but suggested that there be a focus on prevention and that the advisory board have a broad spectrum of representatives); Margaret Whitney, Washington Association of School Administrators (in favor but suggested that the advisory board include school district and parent representatives); Nick Moore, Chairman of ESD Special Education Management Team (in favor but has concerns about creating a separate agency, commingling of funds because of federal requirements and suggested an interim review before the end of the five-year program); and Mary McKnew, Governor's Office (in favor).