

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2551

52nd Legislature  
1992 Regular Session

Passed by the House March 9, 1992  
Yeas 97 Nays 0

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**Speaker of the  
House of Representatives**

Passed by the Senate March 6, 1992  
Yeas 47 Nays 2

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is SUBSTITUTE HOUSE BILL 2551 as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2551**

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AS AMENDED BY THE SENATE

Passed Legislature - 1992 Regular Session

**State of Washington                      52nd Legislature                      1992 Regular Session**

**By** House Committee on Education (originally sponsored by Representatives H. Sommers, Peery, Brough and Valle)

Read first time 02/05/92.

1            AN ACT Relating to special educational services demonstration  
2 projects; amending RCW 28A.630.820 and 28A.630.840; adding a new  
3 section to chapter 28A.630 RCW; providing an expiration date; and  
4 declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            **Sec. 1.** RCW 28A.630.820 and 1991 c 265 s 1 are each amended to  
7 read as follows:

8            It is the intent of the legislature to (1) encourage school  
9 districts, individually and cooperatively, to develop innovative  
10 special services demonstration projects that use resources efficiently  
11 and increase student learning; (2) promote noncategorical approaches to  
12 special services program design, funding, and administration; (3)  
13 develop efficient and cost-effective means for identifying students as  
14 specific learning disabled, in order to increase the proportion of

1 resources devoted to classroom instruction; ~~((and))~~ (4) avoid  
2 unnecessary labeling of students while still providing state funding  
3 for needed services; and (5) provide a means to grant waivers from  
4 state rules.

5 **Sec. 2.** RCW 28A.630.840 and 1991 c 265 s 5 are each amended to  
6 read as follows:

7 (1) Project funding may include state, federal, and local funds, as  
8 specified by the district in its approved project ~~((est))~~ proposal.  
9 ~~((The superintendent of public instruction shall include all project~~  
10 ~~funding for a participating district in a project contract and disburse~~  
11 ~~the funds as contract payments.))~~

12 (2) As a general guideline, subject to refinements in the district  
13 ~~((est))~~ proposal and approval by the superintendent of public  
14 instruction, the portion of state handicapped funding included as  
15 project funding shall be determined as follows:

16 (a) If the district serves specific learning disabled students in  
17 the project, the portion of the handicapped allocation attributed to  
18 specific learning disabled students shall be included, with  
19 proportional adjustments if the project serves only part of the  
20 district's specific learning disabled population;

21 (b) If other handicapped students are served in the project, the  
22 portions of the handicapped allocation attributed to those students  
23 shall be included, with proportional adjustments if the project serves  
24 only part of the district's population in those categories of  
25 handicapped students.

26 (3) State handicapped allocations shall be calculated for project  
27 districts according to the handicapped funding formula in use for other  
28 districts, ~~((but))~~ except for the provisions of section 3 of this act  
29 and with the following changes:

1 (a) (~~Except as provided in (b) of this subsection, funding in each~~  
2 ~~school year for specific learning disabled and other handicapped~~  
3 ~~students served in a project shall be based on the average percentage~~  
4 ~~of the kindergarten through twelfth grade enrollment in the particular~~  
5 ~~handicapped category during the prior three years.~~

6 (b)) Project funding for school districts that had pilot projects  
7 approved under section 13, chapter 233, Laws of 1989, and that were  
8 participating in projects under this section on January 31, 1992, shall  
9 be based for the duration of a project under RCW 28A.630.820 through  
10 28A.630.840 on four percent of the kindergarten through twelfth grade  
11 enrollment considered as specific learning disabled, without regard to  
12 the actual number of students so identified. The legislature  
13 recognizes the importance of continuing and developing the pilot  
14 projects.

15 (b) School districts with approved projects as of January 31, 1992,  
16 may receive funding in each school year for handicapped students served  
17 in the project based on the average percentage of the kindergarten  
18 through twelfth grade enrollment in the particular handicapped category  
19 during the prior three years. School districts that wish to exercise  
20 this option shall notify the selection advisory committee and the  
21 superintendent of public instruction by May 1, 1992.

22 (c) The funding percentages for demonstration projects specified in  
23 (a) (~~and (b))~~) of this subsection shall be used to adjust basic  
24 education allocations under RCW 28A.150.260 and learning assistance  
25 program allocations under RCW 28A.165.070.

26 (d) State handicapped allocations under subsection (2) of this  
27 section up to the level required by federal maintenance of effort rules  
28 shall be expended for services to handicapped students in the project.  
29 Allocations greater than the amount needed to comply with federal  
30 maintenance of effort rules (~~shall~~) may at the option of the district

1 be designated as noncategorical project funds and may be expended on  
2 services to any student served in the project.

3 (4) Federal handicapped allocations may be designated in whole or  
4 in part for project use (~~(, if the amounts are included in the~~  
5 ~~district's approved cost proposal and the project contract))~~).

6 (5) Learning assistance program allocations may be designated in  
7 whole or in part for project use(~~(, if the amounts are included in the~~  
8 ~~district's approved cost proposal and the project contract))~~). These  
9 allocations shall be calculated for project districts according to the  
10 funding formula in use for other districts, except that any increases  
11 in the district allocation above the fiscal year 1991 amount shall be  
12 designated as noncategorical project funds and may be expended on  
13 services to any student served in the project.

14 (6) Transitional bilingual program allocations may be designated in  
15 whole or in part for project use(~~(, if the amounts are included in the~~  
16 ~~district's approved cost proposal and the project contract))~~). These  
17 allocations shall be calculated for project districts according to the  
18 funding formula in use for other districts, except that any increases  
19 in the district allocation above the fiscal year 1991 amount shall be  
20 designated as noncategorical project funds and may be expended on  
21 services to any student served in the project.

22 (7) Funding under the federal remediation program allocations may  
23 be designated in whole or in part for project use(~~(, if the amounts are~~  
24 ~~included in the district's approved cost proposal and the project~~  
25 ~~contract))~~).

26 (8) Funding from local sources may be designated for project use(~~(,~~  
27 ~~if the amounts are included in the district's approved cost proposal~~  
28 ~~and the project contract))~~).

29 (9) Expenditures of noncategorical project funds under subsections  
30 (3)(d), (5), and (6) of this section shall be accounted for in new and

1 discrete program or subprogram codes designated by the superintendent  
2 of public instruction. The codes shall take effect by September 1,  
3 1991.

4 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.630  
5 RCW to read as follows:

6 (1) The legislature finds that the state system of funding  
7 handicapped education has fiscal incentives to label children as  
8 handicapped and that unnecessary labeling can be detrimental to  
9 children. The legislature encourages demonstration projects that  
10 provide needed services without unnecessary labeling. To test this  
11 approach, the legislature intends to maintain the funding level for  
12 innovative special services programs that reduce the incidence of  
13 unnecessary labeling.

14 (2) School districts may propose demonstration projects under this  
15 section to provide needed services and achieve major reductions in the  
16 percentage of district students labeled as handicapped in one or more  
17 specified categories. State handicapped funding for districts with  
18 such projects shall be based for the duration of the project and for  
19 two years after the end of the project on the average percentage of the  
20 kindergarten through twelfth grade enrollment in the specified  
21 categories during the 1991-92 school year or, for projects approved  
22 after the effective date of this section, during the school year before  
23 the start of the project.

24 (3) Funding under subsection (2) of this section is contingent on  
25 the following: (a) The funding is spent on children needing special  
26 services; and (b) the overall percentage of first through twelfth grade  
27 students in the district labeled as handicapped declines each year of  
28 the project after the 1991-92 school year, excluding handicapped  
29 students who transfer into the district.

1 (4) School districts with approved demonstration projects that wish  
2 to convert to a project under this section shall by May 1, 1992, notify  
3 the selection advisory committee and the superintendent of public  
4 instruction and propose appropriate modifications to the project.

5 (5) This section expires September 1, 1997.

6 NEW SECTION. **Sec. 4.** Sections 1 and 2 of this act shall  
7 expire January 1, 1996.

8 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
9 preservation of the public peace, health, or safety, or support of the  
10 state government and its existing public institutions, and shall take  
11 effect immediately.