<u>SHB 1436</u> - H AMD 115 By Representative Pollet

ADOPTED 03/02/2023

Beginning on page 8, line 29, strike all of section 6 and insert 2 the following:

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⁴ "<u>NEW SECTION.</u> Sec. 6. (1) The joint legislative audit and ⁵ review committee and the state auditor must collaborate to conduct a ⁶ performance audit of the state's system of providing special ⁷ education services to students with disabilities. The joint ⁸ legislative audit and review committee and the state auditor may ⁹ divide responsibility for the work and reporting required in this ¹⁰ section as appropriate, and contract with qualified third-party ¹¹ researchers or higher education institutions to perform any aspect ¹² of the report and audit. The report and audit must address: ¹³ (a) The prevalence of disabilities and whether the provisions

14 and funding for evaluating students and providing services reflects
15 the prevalence of disabilities, including whether any populations
16 are disparately underevaluated or underserved;

(b) The degree to which changes in funding formulas intended to encourage increased inclusion are successful and whether the state and school districts are utilizing best practices to improve inclusion;

(c) Whether the changes in evaluation timelines or increases in the funded enrollment limit have resulted in funding for students who do not have disabilities or in excess of districts' costs to serve students with disabilities;

25 (d) Whether districts are appropriately accounting for and 26 reporting use of basic education allocations for students with 27 1 disabilities, including if statutory expectations for use of funds
2 are being met;

3 (e) The amount of funding from levies or other local sources 4 that school districts continue to utilize under current accounting 5 methodologies in order to meet obligations to provide free and 6 appropriate public education to students with disabilities, the 7 degree to which funding shortfalls will continue following planned 8 increases in multipliers, proposed changes to accounting 9 methodologies, and the elimination of a cap on the percent of 10 students for whom the state provides funding; and, options for 11 additional changes to funding formulas to eliminate shortfalls in 12 state funding for special education; and

13 (f) How the state may improve recruitment and retention of 14 certificated educators, instructional aides, or paraeducators and 15 professionals serving students with disabilities.

16 (2) To develop the appropriate scope, define study questions, 17 and select one or more contractors to complete the performance audit 18 and report, the joint legislative audit and review committee and 19 state auditor shall consult with the office of the superintendent of 20 public instruction, the office of the education ombuds,

21 organizations representing and serving students with disabilities, 22 the Washington state special education advisory council, and labor 23 organizations representing educators providing educational services 24 to students with disabilities in developing study questions and 25 choosing appropriate contractors. To address the study questions, 26 the joint legislative audit and review committee and the state 27 auditor may conduct the audit at a sample of school districts as 28 needed.

(3) The performance audit required by this section must include30 charter schools to the same extent as school districts.

31 (4) Upon request, the office of financial management and any 32 state or local agency must provide the joint legislative audit and 33 review committee and the state auditor with education records 34 necessary to conduct the performance audit required under this

2 - Official Print

1 section. The joint legislative audit and review committee and the 2 state auditor shall be considered authorized representatives of 3 relevant state education authorities, including the superintendent 4 for public instruction and the department of children, youth and 5 families, for the purpose of accessing records for this evaluation. 6 The office of financial management and any state or local agency 7 must provide records within four months from the date of an initial 8 request. The office of financial management or agencies contributing 9 data to the education research and data center must notify the joint 10 legislative audit and review committee and the state auditor's 11 office in writing if they determine a request does not comply with 12 the federal educational rights and privacy act, no later than 13 twenty-one days after the initial request.

14 (5) Prior to the 2024 legislative session, the joint legislative 15 audit and review committee and the state auditor must identify a 16 lead agency for each element of the report and audit defined in 17 subsection (1)(a) through (f) of this section and any aspects of the 18 study that are being conducted by contractors. These designations 19 must be provided to the governor and the committees of the 20 legislature with jurisdiction over fiscal matters and special 21 education by December 31, 2023.

(6) The joint legislative audit and review committee and the state auditor must, in accordance with RCW 43.01.036, report the the study's findings and recommendations to the governor and the committees of the legislature with jurisdiction over fiscal matters and special education by November 30, 2024.

27 (7) This section expires August 1, 2025."

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29 Renumber the remaining sections consecutively and correct any 30 internal references accordingly.

EFFECT: Replaces section 6, which requires a study of special education services by the Joint Legislative Audit and Review 33 Committee (JLARC) and the State Auditor's Office (SAO), with revised language. The changes to the study language:

- clarify the product as a performance audit rather than a report and performance audit;
- allow the JLARC and SAO to use a sample of school districts;
- require any state or local agency to provide records to the JLARC and SAO upon request and authorize the JLARC and SAO as representatives of state education agencies for purpose of the evaluation;
- require agencies to provide notice if records requests do not comply with federal privacy laws; and
- remove state-tribal education compact schools from the study.

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