

# SENATE BILL REPORT

## SB 5311

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As of January 18, 2023

**Title:** An act relating to special education funding formula.

**Brief Description:** Concerning special education funding formula.

**Sponsors:** Senators Wellman, Braun, Dhingra, Hunt, Kuderer, Mullet, Nguyen, Nobles, Pedersen, Torres and Wilson, C.; by request of Office of Financial Management.

**Brief History:**

**Committee Activity:** Early Learning & K-12 Education: 1/19/23.

**Brief Summary of Bill**

- Increases the special education excess cost multipliers for pre-K and K-12 students over a four-year period.
- Increases the special education enrollment funding cap from 13.5 percent to 14.5 percent.
- Allows the Safety Net Oversight Committee to consider differences in program costs that are attributable to service delivery choices.

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### SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

**Staff:** Alexandra Fairfortune (786-7416)

**Background:** Special Education Funding. The state allocates funding for a program of special education for students with disabilities. Special education is funded on an excess cost formula for up to 13.5 percent of a district's K-12 students. This formula multiplies the district's base allocation for students enrolled in K-12 special education by an excess cost multiplier of either:

- 1.0075 for students receiving special education and reported to be in the general education setting for 80 percent or more of the school day; or

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- 0.995 for students receiving special education and reported to be in the general education setting for less than 80 percent of the school day.

Pre-K students receiving special education services, including three-year-olds, four-year-olds, and five-year-olds not yet enrolled in kindergarten, are funded based on a multiplier of 1.15 percent. These students are excluded from the 13.5 percent enrollment funding cap.

Safety Net Funding. Beyond these allocations, the Safety Net Oversight Committee, appointed by the Superintendent of Public Instruction, may award safety net funding if a district can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas, and it is maximizing its eligibility for all related state and federal revenues. The committee may award safety net funding to applicants for high-need individuals and for community characteristics that draw a large number of students eligible for special education. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

**Summary of Bill:** The bill as referred to committee not considered.

**Summary of Bill (Proposed Substitute):** Special Education Excess Cost. The special education excess cost multipliers are increased over the course of four school years (SY) as follows:

	Current	23-24 SY	24-25 SY	25-26 SY	26-27 SY
Pre-K	1.15	1.175	1.18	1.19	1.2
K-12 Students in Gen. Ed. $\geq 80$ percent	1.0075	1.0742	1.1408	1.2074	1.2740
K-12 Students in Gen. Ed. $< 80$ percent	0.995	1.0283	1.0617	1.0950	1.1283

Enrollment Percent Cap. The K-12 special education enrollment funding cap is increased from 13.5 percent to 14.5 percent.

Safety Net Awards. When determining safety net award need, the Safety Net Oversight Committee is no longer required to exclude differences in program costs that are attributable to service delivery choices.

**Appropriation:** None.

**Fiscal Note:** Available. New fiscal note requested on January 18, 2023.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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