

# SENATE BILL REPORT

## SB 5263

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As of January 21, 2025

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

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

**Sponsors:** Senators Pedersen, Braun, Bateman, Chapman, Conway, Dhingra, Frame, Krishnadasan, Lias, Nobles, Orwall, Salomon, Shewmake, Stanford, Valdez and Wilson, C..

**Brief History:**

**Committee Activity:** Early Learning & K-12 Education: 1/22/25.

### Brief Summary of Bill

- Increases the special education funding multipliers to 1.6381 for Pre-K students and 1.5289 for K-12 students.
- Eliminates multiplier tiers that provide different levels of funding based on time spent in a general education setting.
- Removes the 16 percent special education enrollment funding cap.
- Decreases the special education safety net eligibility threshold for all school districts to 1.5 times the average per-pupil expenditure.

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

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

**Background:** Special Education Funding Multipliers. 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 16 percent of a district's students. This formula multiplies the district's base allocation for students enrolled in K-12 special education by an excess

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cost multiplier of either:

- 1.12 for students receiving special education and reported to be in the general education setting for 80 percent or more of the school day; or
- 1.06 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-, four-, and five-year-olds not yet enrolled in kindergarten, are funded based on a multiplier of 1.2. These students are excluded from the 16 percent enrollment funding cap.

Safety Net Funding. Beyond these allocations, the Safety Net Oversight Committee (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. A high-need individual is eligible for a safety net award if the student's individualized education program costs exceed 2.2 times the average per-pupil expenditure. If the school district has fewer than 1000 students this threshold is reduced to two times the average per-pupil expenditure.

**Summary of Bill:** Special Education Funding Multipliers. The special education multipliers set in statute are increased and the tiered structure based on education setting is removed. The new multipliers are as follows:

- 1.6381 for Pre-K students receiving special education services, including three-, four-, and five-year-olds not yet enrolled in kindergarten; and
- 1.5289 for K-12 students receiving special education.

The 16 percent enrollment funding cap is removed.

Safety Net Funding. The safety net eligibility threshold is reduced for all school districts to 1.5 times the average per-pupil expenditure.

**Appropriation:** None.

**Fiscal Note:** Requested on January 14, 2025.

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

**Effective Date:** The bill takes effect on September 1, 2025.