

1 2551-S AAS 3/6/92

2 SHB 2551 - S COMM AMD  
3 By Committee on Education

4 ADOPTED 3/6/92

5 Strike everything after the enacting clause and insert the  
6 following:

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

9 It is the intent of the legislature to (1) encourage school  
10 districts, individually and cooperatively, to develop innovative  
11 special services demonstration projects that use resources efficiently  
12 and increase student learning; (2) promote noncategorical approaches to  
13 special services program design, funding, and administration; (3)  
14 develop efficient and cost-effective means for identifying students as  
15 specific learning disabled, in order to increase the proportion of  
16 resources devoted to classroom instruction; ~~((and))~~ (4) avoid  
17 unnecessary labeling of students while still providing state funding  
18 for needed services; and (5) provide a means to grant waivers from  
19 state rules."

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

22 (1) Project funding may include state, federal, and local funds, as  
23 specified by the district in its approved project ~~((cost))~~ proposal.  
24 ~~((The superintendent of public instruction shall include all project~~  
25 ~~funding for a participating district in a project contract and disburse~~  
26 ~~the funds as contract payments.))~~

1 (2) As a general guideline, subject to refinements in the district  
2 (~~cost~~) proposal and approval by the superintendent of public  
3 instruction, the portion of state handicapped funding included as  
4 project funding shall be determined as follows:

5 (a) If the district serves specific learning disabled students in  
6 the project, the portion of the handicapped allocation attributed to  
7 specific learning disabled students shall be included, with  
8 proportional adjustments if the project serves only part of the  
9 district's specific learning disabled population;

10 (b) If other handicapped students are served in the project, the  
11 portions of the handicapped allocation attributed to those students  
12 shall be included, with proportional adjustments if the project serves  
13 only part of the district's population in those categories of  
14 handicapped students.

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

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

24 (~~b~~)) Project funding for school districts that had pilot projects  
25 approved under section 13, chapter 233, Laws of 1989, and that were  
26 participating in projects under this section on January 31, 1992, shall  
27 be based for the duration of a project under RCW 28A.630.820 through  
28 28A.630.840 on four percent of the kindergarten through twelfth grade  
29 enrollment considered as specific learning disabled, without regard to  
30 the actual number of students so identified. The legislature

1 recognizes the importance of continuing and developing the pilot  
2 projects.

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

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

14 (d) State handicapped allocations under subsection (2) of this  
15 section up to the level required by federal maintenance of effort rules  
16 shall be expended for services to handicapped students in the project.  
17 Allocations greater than the amount needed to comply with federal  
18 maintenance of effort rules ~~((shall))~~ may at the option of the district  
19 be designated as noncategorical project funds and may be expended on  
20 services to any student served in the project.

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

24 (5) Learning assistance program allocations may be designated in  
25 whole or in part for project use ~~((, if the amounts are included in the~~  
26 ~~district's approved cost proposal and the project contract))~~. These  
27 allocations shall be calculated for project districts according to the  
28 funding formula in use for other districts, except that any increases  
29 in the district allocation above the fiscal year 1991 amount shall be

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

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

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

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

18 (9) Expenditures of noncategorical project funds under subsections  
19 (3)(d), (5), and (6) of this section shall be accounted for in new and  
20 discrete program or subprogram codes designated by the superintendent  
21 of public instruction. The codes shall take effect by September 1,  
22 1991."

23 "NEW SECTION. Sec. 3. A new section is added to chapter 28A.630  
24 RCW to read as follows:

25 (1) The legislature finds that the state system of funding  
26 handicapped education has fiscal incentives to label children as  
27 handicapped and that unnecessary labeling can be detrimental to  
28 children. The legislature encourages demonstration projects that  
29 provide needed services without unnecessary labeling. To test this

1 approach, the legislature intends to maintain the funding level for  
2 innovative special services programs that reduce the incidence of  
3 unnecessary labeling.

4 (2) School districts may propose demonstration projects under this  
5 section to provide needed services and achieve major reductions in the  
6 percentage of district students labeled as handicapped in one or more  
7 specified categories. State handicapped funding for districts with  
8 such projects shall be based for the duration of the project and for  
9 two years after the end of the project on the average percentage of the  
10 kindergarten through twelfth grade enrollment in the specified  
11 categories during the 1991-92 school year or, for projects approved  
12 after the effective date of this section, during the school year before  
13 the start of the project.

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

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

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

25 "NEW SECTION. **Sec. 4.** Sections 1 and 2 of this act shall  
26 expire January 1, 1996."

27 "NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
28 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take  
2 effect immediately."

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6 On page 1, line 2 of the title, after "projects;" strike the  
7 remainder of the title and insert "amending RCW 28A.630.820 and  
8 28A.630.840; adding a new section to chapter 28A.630 RCW; providing an  
9 expiration date; and declaring an emergency."