

SENATE BILL REPORT

2SHB 1709

As of April 15, 1997

Title: An act relating to mandates on school districts.

Brief Description: Changing provisions relating to school mandates.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives McMorris, Chandler, Mastin and Smith).

Brief History:

Staff: Karen Carter (786-7424)

Background: The Superintendent of Public Instruction (SPI) has a duty to promulgate rules to ensure the proper administration of select education programs. In exercising this authority, SPI must make "every effort" to reduce paperwork and information requirements placed on school districts to monitor and evaluate education programs.

Staff assistance from school districts. A school district employee may be asked to serve on a state-level committee or activity by the State Board of Education (SBE) or SPI. There are several administrative procedures associated with paying for that staff assistance, and finding a substitute to cover for the employee's absence.

School art and construction funds. The State Board of Education administers the school construction assistance program for districts. With the help of SPI, SBE must allocate 0.5 percent of state school construction funds to the Washington State Arts Commission who, in turn, selects works of art for placement on public school grounds. A district representative may participate in the selection process. The district may refuse a work of art designated for a site by the commission, but districts cannot select a different work of art created locally if so preferred.

Medicaid reimbursement for special education. In 1993, the Legislature established a program requiring school districts to seek Medicaid reimbursement for covered services to eligible special education students. As an incentive for participation in the program, school districts are allocated 20 percent of the federal Medicaid monies after billing costs are deducted. The state retains 80 percent of any reimbursement from Medicaid after billing costs are deducted.

School district audits. Statutes require the State Auditor to "periodically" audit school districts. The current practice is to review first class districts (more than 2,000 students) on an annual basis and review second class districts (2,000 or less students) less frequently, once every two or three years. School districts pay the auditor for this review.

Summary of Bill: Education statutes governing SPI duties are modified to establish rules and requirements with respect to paperwork reduction. A uniform cycle is established for school audits. An option to acquire a locally designed work of art for installation in a public school is created. State incentives to encourage small districts to bill Medicaid for special education students are enhanced.

Administrative rules and paperwork reduction. The bill clarifies SPI's duty to promulgate rules as a check on the proper administration compensation and substitution for district employees granted leave to assist SPI or SBE. By December 1, SPI must report to the Legislature the specific actions it has taken in calendar year 1997 to simplify oversight, reduce paperwork and eliminate duplicate information requested from school districts.

School art. School districts participating in the state construction fund arts program may select a work designed by a local artist in lieu of options for the site selected by the Washington State Commission for the Arts.

Medicaid reimbursement for special education. Second class districts serving 2,000 or fewer would qualify for incentive payments equal to 50 percent of Medicaid reimbursement received by SPI for their special education students. This provision is null and void unless specifically referenced in the budget act.

School district audits. Regardless of class designation, the State Auditor must review school districts every three years unless a more frequent review is needed as a grant condition, or if the State Auditor has evidence to support a decision to audit more frequently.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of the session in which the bill is passed. However, section 2 of this act takes effect September 1, 2000 unless a law is enacted stating that a school accountability and academic assessment system is not in place.