

# HOUSE BILL REPORT

## SHB 1418

---

---

**As Reported by House Committee On:**

Education  
Education Appropriations

**Title:** An act relating to establishing a statewide dropout reengagement system.

**Brief Description:** Establishing a statewide dropout reengagement system.

**Sponsors:** House Committee on Education (originally sponsored by Representatives Kagi, Priest, Sullivan, Walsh, Pettigrew, Roberts, Dickerson, Quall, Seaquist, Sells, Appleton, Hunt, Haler, Pedersen, Orwall, Ormsby, Hasegawa, Conway, Kenney, Maxwell, Santos, Probst, Driscoll, Goodman and Nelson).

**Brief History:**

**Committee Activity:**

Education: 2/6/09, 2/18/09 [DPS]; 1/15/10, 1/26/10 [DP2S].

Ways & Means: 2/27/09 [DPS (ED)].

Education Appropriations: 2/2/10 [DP2S].

**Brief Summary of Second Substitute Bill**

- Directs the Office of Superintendent of Public Instruction to develop model contracts and inter-local agreements for school districts to use in contracting with community and technical colleges, community-based organizations, or other entities to deliver dropout re-engagement programs.
- Authorizes but does not require school districts to offer dropout re-engagement programs using the model contracts and inter-local agreements.
- Defines dropout re-engagement programs as including academic instruction that generates high school credits, college and work readiness preparation, and case management.
- Defines eligible students as being at least 16 but less than 21, not accumulating sufficient credits to graduate by the age of 21, or recommended by the social service or juvenile justice system, and enrolled in either their resident district or a nonresident district through the state's "Choice" laws.
- Specifies issues to be addressed in the model contracts and inter-local agreements.

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

---

## HOUSE COMMITTEE ON EDUCATION

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 13 members: Representatives Quall, Chair; Maxwell, Vice Chair; Priest, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dammeier, Fagan, Hunt, Johnson, Liias, Orwall, Probst, Santos and Sullivan.

**Staff:** Barbara McLain (786-7383).

### **Background:**

Students are eligible to receive education in a public school until the age of 21 or completion of a high school diploma, whichever is sooner. School districts have broad authority to contract with colleges, community-based organizations, or other education providers to provide educational services. School districts that use basic education dollars for these services must meet certain criteria established by rules that are intended to assure that the contracted services meet the purpose of basic education program requirements.

A number of school districts have created programs for older youth who have dropped out of school and are so far behind in accumulating credits that graduation before the age of 21 is unlikely. Some districts offer their own programs through an alternative high school; others contract with community and technical colleges or community-based organizations. In some cases, one school district acts as a contracting and fiscal agent on behalf of multiple districts in the region, and students from other districts enroll in the non-resident district using the state's "Choice" laws.

In recent years a number of school districts have terminated their contracted dropout re-engagement programs. Reasons cited include lack of clarity in state laws and rules governing these contracts. At least one school district has been the subject of audit findings for noncompliance with rules governing expenditure of basic education dollars. The Office of Superintendent of Public Instruction (OSPI) has made several special adaptations to the rules, including on an emergency basis, in an attempt to provide clarity. School districts that have enrolled nonresident students express concerns about assuming liability for these students, especially if the students are eligible for special education. There are no standardized contracts or agreements.

One of the recommendations from the Building Bridges Dropout Prevention, Intervention, and Retrieval Workgroup in its 2008 report to the Legislature was to establish a statewide dropout retrieval system with a single, comprehensive regulatory framework to govern retrieval programs.

---

### **Summary of Second Substitute Bill:**

A statutory framework for a statewide dropout re-engagement system is created to provide education and services to older youth who have dropped out of school or are not expected to graduate from high school by the age of 21. Under the system, school districts are authorized

but not required to enter into model inter-local agreements with an Educational Service District (ESD), community or technical college, or other public entity to provide a dropout re-engagement program for eligible students, or enter into a model contract with a community-based organization. Current authority of school districts to contract for program services is not affected.

For the purposes of the system, dropout re-engagement programs offer at least the following:

- academic instruction, including GED preparation, academic skills, and college and work readiness preparation, that generates high school credit for a diploma and has the goal of academic and work readiness;
- instruction by certified teachers or college instructors whose credentials are established by the college;
- case management, counseling, and resource and referral services; and
- opportunity for qualified students to enroll in college courses tuition-free if the program provider is a college.

Students eligible for dropout re-engagement programs are those aged 16 to 21 who are so credit deficient that completion of a high school diploma before age 21 is not reasonable, or are recommended by social service or juvenile justice system case managers. Students can enroll in their resident school district or another district using the state's "Choice" laws. The OSPI must adopt criteria defining a full-time equivalent (FTE) student for purposes of dropout re-engagement programs based on college credits or planned programming and minimum attendance, but not based on seat-time.

The OSPI must develop model inter-local agreements and contract for the dropout re-engagement system, which must at a minimum address the following topics:

- responsibilities for identification, referral, and enrollment of eligible students;
- instruction and services to be provided by a dropout re-engagement program;
- responsibilities for data collection and reporting, including transcripts and the student information system;
- administration of high school state assessments;
- uniform financial reimbursement rates per-FTE student, using statewide average basic education allocations and allowing for a uniform district administrative fee;
- responsibilities for providing special education and accommodations;
- minimum instructional staffing ratios for community-based programs, which are not required to be the same as for basic education; and
- performance measures reported to the state, including longitudinal monitoring of student progress and postsecondary education and employment.

Students in a dropout re-engagement program are considered regular students of the district in which they are enrolled, but they do not count against a district's basic education staffing ratio compliance.

The OSPI must adopt rules to implement the provisions and must consult with the State Board for Community and Technical Colleges, the Workforce Board, dropout re-engagement programs, school districts, approved providers of online learning, and ESDs.

### **Second Substitute Bill Compared to Substitute Bill:**

The substitute bill created a statewide dropout re-engagement system with ESDs acting as brokers and managers of contracts and inter-local agreements between school districts in the region and contracted program providers. The ESDs, school districts, and program providers were each assigned responsibilities under the system. School districts were required to offer a dropout re-engagement program either directly or under contract. Funding for enrolled students was allocated directly to the ESDs and was divided between administrative costs for the ESDs and school districts, and program costs for providers.

The second substitute bill retains the definitions of a dropout re-engagement program and eligible students, but removes the role of the ESDs and responsibilities of school districts and program providers. Instead, the OSPI develops model contracts and inter-local agreements that address a number of specified topics. School districts are authorized but not required to use the contracts or agreements to offer dropout re-engagement programs to their students or students who enroll in the district through the state's "Choice" laws.

---

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Second Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support of second substitute) There has been much support to provide options for students who are not able or willing to go back to a regular high school. The bill came out of the experience of the Shoreline School District who received an audit finding because there was a lack of statutory guidance for operating these programs under contract with the Shoreline Community College. A number of school districts have discontinued their contracts. A clear statutory framework is needed so that school districts can confidently enter partnerships to create dropout re-engagement programs. There is inherent value in an education, both to the individual and to society. Shoreline has a shared value with the state to have its students be successful. Students need alternative pathways. Instead of feeling unwanted in a traditional high school, they are motivated to come to class and do the work. They stay on the campus and begin earning college credits. Every student has a different story and a different background, but these programs provide options. The programs provide needed counseling and support. The attention is personal and individualized.

The bill provides standardization for how districts can contract with colleges and other community organizations. It represents the recommendations of the Building Bridges working group as a key strategy to address the needs of students who are not successful in traditional programs. The dropout problem is very real; it has been identified by youth as one of the top three critical problems they face. There is concern that allowing but not requiring school districts to participate will leave students without a program. The previous bill was stronger. There are some inconsistencies within the bill. The potential presented by online learning should be considered, especially for individuals involved with the juvenile

justice system and those suspended or expelled from school. There is no need to reinvent the wheel; appropriate online programs exist and are flexible and available as alternatives for these students.

(Opposed) None.

**Persons Testifying:** Representative Kagi, prime sponsor; Tonya Drake, Mariko Kakiuchi, and Pat Martinez-Johnson, Shoreline Community College; Grant Baldwin Madison, Levon White, Amer Ali, and Genessee Rickel, Shoreline Community College students; Jada Ruply, Educational School District 112; Jena Graham, Legislative Youth Advisory Council; Jerry Bender, Association of Washington School Principals; Rebekah Richards, The American Academy; Dr. Melinda Giovengo, YouthCare; Kim Howard, Washington State Parent Teacher Association; Michael Tate, State Board for Community and Technical Colleges; and Carolyn Logue, K-12 Washington Virtual Academy.

**Persons Signed In To Testify But Not Testifying:** None.

---

## HOUSE COMMITTEE ON EDUCATION APPROPRIATIONS

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 14 members: Representatives Haigh, Chair; Probst, Vice Chair; Priest, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Anderson, Carlyle, Haler, Hunter, Kagi, Maxwell, Nealey, Quall, Rolfes and Wallace.

**Staff:** Ben Rarick (786-7349).

### **Summary of Recommendation of Committee On Education Appropriations Compared to Recommendation of Committee On Education:**

No new changes were recommended.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Second Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

### **Staff Summary of Public Testimony:**

(In support) This bill originates from a program run by Shoreline Community College to re-engage students in danger of not finishing high school. Districts are concerned about audit findings from the State Auditor, so this bill provides a clear statutory framework for the drop-out re-engagement programs already running through community colleges and other entities. Last year, a number of students came to testify about their individual stories of becoming re-engaged in education through the Shoreline program. These programs are individualized and provide options for the students. Counseling and other support services are available. The bill provides standardization for how districts can contract with colleges and other

community organizations to provide reengagement programs. The previous bill was stronger, but it died in the Senate over concerns about the fiscal note. This bill does not require districts to participate in reengagement programs; it only creates a statutory framework and requires Office of the Superintendent of Public Instruction to develop model contracts so that districts may participate if they want to.

(Opposed) None.

**Persons Testifying:** Representative Kagi, prime sponsor.

**Persons Signed In To Testify But Not Testifying:** None.