

SENATE BILL REPORT

SB 6547

As Reported by Senate Committee On:
Early Learning & K-12 Education, February 7, 2020

Title: An act relating to completing the transfer of the early support for infants and toddlers program from the office of the superintendent of public instruction to the department of children, youth, and families.

Brief Description: Completing the transfer of the early support for infants and toddlers program from the office of the superintendent of public instruction to the department of children, youth, and families.

Sponsors: Senators Wellman, Wilson, C., Billig and Saldaña; by request of Office of Financial Management.

Brief History:

Committee Activity: Early Learning & K-12 Education: 2/03/20, 2/07/20 [DPS-WM, DNP, w/oRec].

Brief Summary of First Substitute Bill

- Requires the Department of Children, Youth, and Families (DCYF) to administer early intervention services to all eligible children ages birth to three.
- Removes the requirement that school districts provide or contract for early intervention services to all eligible children.
- Transfers funding currently appropriated to the Office of the Superintendent of Public Instruction to DCYF.
- Directs early intervention service providers to bill all available funding sources prior to using state or federal funding.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 6547 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Wellman, Chair; Wilson, C., Vice Chair; Hawkins, Ranking Member; Hunt, McCoy, Mullet, Pedersen, Salomon and Wagoner.

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.

Minority Report: Do not pass.
Signed by Senator Holy.

Minority Report: That it be referred without recommendation.
Signed by Senator Padden.

Staff: Ailey Kato (786-7434)

Background: Early Intervention Services. Part C of the federal Individuals with Disabilities Education Act (IDEA) provides early intervention services for infants and toddlers, birth to age three, who have disabilities, which includes developmental delays and diagnosed physical or mental conditions. Early intervention services include occupational or physical therapy; speech-language pathology; psychological, health, vision, social work; and other services.

DCYF is the lead agency for the state's program called Early Support for Infants and Toddlers (ESIT).

State law requires school districts to provide or contract, or both, for early intervention services in partnership with local lead agencies and providers. Early intervention services are not part of basic education under Article IX of the state Constitution.

In 2016, the Legislature directed the Office of the Superintendent of Public Instruction (OSPI) to provide the Department of Early Learning (DEL) with a full accounting of the school district expenditures in recent years for birth-to-three early intervention services. DEL was required to submit a plan to the Legislature on comprehensive and coordinated early intervention services for all eligible children.

In 2018, the Legislature directed DCYF, in consultation with OSPI and other entities, to develop a funding model to determine the amount of annual allocations to be appropriated in the operating budget for early intervention services.

Funding. Funding for early intervention services has a number of sources. DCYF receives federal part C funding and some state funding. School districts receive state funding through the special education excess cost allocations for children ages birth through four-year-olds and five-year-olds not enrolled in kindergarten. The Department of Social and Health Services also receives funding for early intervention services.

Payor of Last Resort. Current DCYF rule provides that early intervention services providers must bill all applicable funding sources including public and private insurance and families, prior to using state and federal funds for early intervention services.

Performance-Based Contracts. DCYF must ensure that all new and renewed contracts for services are performance-based. "Performance-based contract" means results-oriented contracting that focuses on the quality or outcomes that tie at least a portion of the contractor's payment, extensions, or renewals to the achievement of specific measurable performance standards and requirements.

Summary of Bill (First Substitute): Early Intervention Services. The requirement that school districts provide or contract for early intervention services to all eligible children with disabilities from birth to three years of age is removed.

DCYF must administer the ESIT program to provide early intervention services to all eligible children.

DCYF must enter into formal interagency agreements, where appropriate, with school districts, counties, and other providers, to define their relationships and financial and service responsibilities.

Funding. Funding for the ESIT program must be appropriated to DCYF based on the annual average headcount of children ages birth to three who are eligible and receiving early intervention services, multiplied by the total statewide allocation generated by the prototypical school funding formula and for professional learning days, per the statewide full-time equivalent enrollment in common schools, multiplied by 1.15.

A child is receiving early intervention services if the child has received services within a month prior to the monthly count day.

DCYF must distribute funds to early intervention services providers according to the same monthly schedule as apportionment for school districts.

Children ages birth to three are removed from the special education excess cost allocation to school districts.

Payor of Last Resort. Early intervention services providers must bill all available funding sources, including public and private insurance and families, as applicable, prior to using state or federal funding. DCYF is the payor of last resort.

Performance-Based Contracts. Between September 1, 2020, and September 1, 2021, contracts for the provision of early intervention services are exempt from the requirements for performance-based contracts.

Reference to a 2016 report is removed. The early intervention services statute is recodified and references to that statute are updated.

EFFECT OF CHANGES MADE BY EARLY LEARNING & K-12 EDUCATION COMMITTEE (First Substitute):

- Changes the expiration date for two sections from June 30, 2021, to December 31, 2021.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill takes effect on This act takes effect September 1, 2020.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This is the final step in the long journey of transferring ESIT to DCYF. Early intervention services align with DCYF's focus on prevention and early learning.

Persons Testifying: PRO: Allison Krutsinger, Department of Children, Youth and Families; Tania May, Office of Superintendent of Public Instruction.

Persons Signed In To Testify But Not Testifying: No one.