
Appropriations Committee

HB 1436

Brief Description: Funding special education.

Sponsors: Representatives Pollet, Berry, Simmons, Farivar, Orwall, Street, Caldier, Alvarado, Ryu, Reeves, Ortiz-Self, Christian, Kloba, Duerr, Stonier, Bateman, Lekanoff, Berg, Riccelli, Fosse, Macri, Bergquist, Reed, Doglio and Chopp; by request of Superintendent of Public Instruction.

Brief Summary of Bill

- Increases excess cost multipliers for special education students over four school years.
- Removes the 13.5 percent enrollment limit for special education funding.
- Removes community impact costs from the special education safety net.
- Authorizes school districts to apply to the Office of the Superintendent of Public Instruction (OSPI) for additional special education funding beyond state excess cost allocations.
- Requires the OSPI to review data for disproportionate identification of students and assist school districts to support inclusionary teaching practices.

Hearing Date: 2/9/23

Staff: James Mackison (786-7104).

Background:

Special Education Funding.

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

The state allocates funding for a program of special education for students with disabilities using an excess cost formula, which multiplies a school district's base allocation by an excess cost multiplier.

School districts receive a tiered multiplier based on inclusion in a general education setting for special education students in kindergarten through age 21 (K-21). A multiplier of 1.0075 is provided for special education students that spend at least 80 percent of the school day in a general education setting. For students in a general education setting less than 80 percent of the time, districts receive a 0.995 multiplier. Excess cost allocations are capped at 13.5 percent of a school district's full-time student enrollment. K-21 students receiving special education generate funding through both the base allocation and excess cost formulas.

Prior to kindergarten, students ages three to five (Pre-K) receiving special education services receive a multiplier of 1.15. These students are not included in the 13.5 percent enrollment funding cap.

Beyond allocations from excess cost multipliers, the Office of the Superintendent of Public Instruction (OSPI) may provide safety net funding if a school district has one or more high-need individual (HNI) students or is in a community impacted by large numbers of families with children eligible for special education, such as communities with group homes or military bases. For HNI awards, the school district's expenditures for the student must exceed an expenditure threshold. Currently, the threshold for a student in any district to access state safety net funds is 2.3 times the statewide average per pupil expenditure, which equals \$37,599 in the 2022-23 school year. Most safety net awards come from state funding and cover HNI costs, while community impact awards comprise a smaller portion of the safety net.

The formulas for special education also apply to charter schools and tribal schools in state-tribal education compacts.

Summary of Bill:

The enrollment cap of 13.5 percent for K-21 special education funding is removed. The excess cost multipliers for students receiving special education increase as follows:

For K-21 students spending 80 percent or more of the school day in a general education setting, the multiplier is increased from 1.0075 to:

- for the 2023-24 school year, 1.1610;
- for the 2024-25 school year, 1.1784;
- for the 2025-26 school year, 1.1961; and
- beginning in the 2026-27 school year, 1.2140.

For K-21 students spending less than 80 percent of the school day in a general education setting, the multiplier is increased from 0.995 to:

- for the 2023-24 school year, 1.1459;
- for the 2024-25 school year, 1.1631;
- for the 2025-26 school year, 1.1805; and
- beginning in the 2026-27 school year, 1.1923.

For Pre-K students, the multiplier is increased from 1.15 to:

- for the 2023-24 school year, 1.1600;
- for the 2024-25 school year, 1.1700;
- for the 2025-26 school year, 1.1800; and
- beginning in the 2026-27 school year, 1.1900.

Costs associated with communities impacted by large numbers of families with children eligible for special education are removed from consideration for safety net awards.

The OSPI is required to:

- annually review data from local education agencies (LEAs) to ensure that disproportionate percentages of students are not identified for special education services; and
- provide technical assistance and professional development opportunities to LEAs and community partners to promote inclusionary practices and help safeguard against overidentification and disproportionality.

School districts are authorized to apply to the OSPI for funding beyond state excess cost allocations, up to the difference between their prior year's special education expenditures and excess cost allocations. The OSPI must develop rules and administer the process for providing the additional funds. Additional requirements for accessing funds are that supplemental contract costs not be included, and that school districts must access professional development resources provided by the OSPI to support inclusionary practices and avoid disproportionate identification.

An intent section is also included stating the purpose of the bill is to fully fund special education services in the state.

Appropriation: None.

Fiscal Note: Available.

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