

SENATE BILL REPORT

SB 6014

As Reported by Senate Committee On:
Early Learning & K-12 Education, January 18, 2024

Title: An act relating to increasing the special education enrollment funding cap.

Brief Description: Increasing the special education enrollment funding cap.

Sponsors: Senators Wellman, Trudeau, Dhingra, Nobles, Pedersen, Salomon, Shewmake, Stanford, Valdez and Wilson, C.; by request of Office of Financial Management.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/15/24, 1/18/24 [DP-WM].

Brief Summary of Bill

- Increases the K-12 special education enrollment funding cap from 15 percent to 17.25 percent.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Wellman, Chair; Nobles, Vice Chair; Wilson, C., Vice Chair; Hawkins, Ranking Member; Dozier, Hunt, McCune, Mullet and Pedersen.

Staff: Alex Fairfortune (786-7416)

Background: Special Education Funding. The state allocates funding for a program of special education for students with disabilities. Special education is funded on an excess cost formula for up to 15 percent of a district's students. This formula multiplies the district's base allocation for students enrolled in K-12 special education by an excess cost multiplier of either:

- 1.12 for students receiving special education and reported to be in the general education setting for 80 percent or more of the school day; or

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- 1.06 for students receiving special education and reported to be in the general education setting for less than 80 percent of the school day.

Pre-K students receiving special education services, including three-year-olds, four-year-olds, and five-year-olds not yet enrolled in kindergarten, are funded based on a multiplier of 1.2 percent. These students are excluded from the 15 percent enrollment funding cap.

Summary of Bill: The K-12 special education enrollment funding cap is increased from 15 percent to 17.25 percent.

Appropriation: None.

Fiscal Note: Requested on January 11, 2024.

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

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: It is important to fund the spectrum of services that serve the special needs that all students have. The percentage of students requiring special education services has increased as enrollments have decreased, as those students are more likely to stay in the public school system. The federal government now acknowledges this is closer to 17.25 percent. This is an OFM request bill that matches the governor's investment to increase funding above the state average of 15 percent. An informal fiscal estimate puts the cost at approximately \$20-22 million per year, or double if the cap was entirely removed. Many districts, especially those close to JBLM, have a higher percentage of students receiving special education services. The funding cap is inequitable because it disproportionately affect students in rural areas. Of the 118 districts above 15 percent, 88 were in rural areas. Some schools in Olympia are closing because the district is forced to use local levy dollars to fund special education. Enrichment options, such as band, are suffering due to transferring this funding. Removing the cap entirely is the best option but this is a step in the right direction.

OTHER: Two-thirds of districts are above the 15 percent cap and over 100 districts would still be above the 17.25 percent cap. Capping a district's ability to provide services tells students that meeting their needs is not a priority. The cap should be removed entirely.

Persons Testifying: PRO: Senator Lisa Wellman, Prime Sponsor; Carl Cary, Washington State School Directors' Association; Maddy Thompson, Office of the Governor; Brian Fechter, Office of Financial Management; Steve Bigelow, Capital Region ESD 113; Julie Salvi, Washington Education Association; Nicholle Mineiro, Attorneys for Education Rights; Melinda (Mindy) Swedberg; Mikhail Cherniske, Office of Superintendent of Public Instruction; Charlie Brown, Clover Park School District; DARCY HUFFMAN, Olympia School District; Michelle Whitehead; Collete Paulson; Jeff Thake, Aberdeen School District

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OTHER: Lizzy Sebring, Washington State PTA; Michele Campbell, Seattle Council PTSA.

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