

RCW 28A.150.392 Special education funding—Safety net awards—Rules—District surveys and legislative report—Safety net oversight committee—High-need students. (1) (a) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.

(b) If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need.

(2) Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall award additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. When determining award eligibility and amounts[,] the committee shall limit its review to relevant documentation that illustrates adherence to award criteria. The committee shall not make determinations regarding the content of individualized education programs beyond confirming documented and quantified services and evidence of corresponding expenditures for which a school district seeks reimbursement.

(b) In the determination of need, the committee shall consider additional available revenues from federal sources.

(c) Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(d) In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for students eligible for special education and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards associated with (e) and (f) of this subsection shall not exceed the total of a district's specific determination of need.

(e) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(f) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (2) (f) shall be adjusted to reflect amounts awarded under (e) of this subsection.

(g) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education served in residential schools, programs for juveniles under the department of corrections, and programs for juveniles operated by city and county jails to the extent they are providing a secondary program of education.

(h) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(i) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

(j) Safety net awards must be adjusted for any unresolved audit findings or exceptions related to special education funding. Safety net awards may only be adjusted for errors in safety net applications or individualized education programs that materially affect the demonstration of need.

(3) The superintendent of public instruction shall adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. By December 1, 2018, the superintendent shall review and revise the rules to achieve full and complete implementation of the requirements of this subsection and subsection (4) of this section including revisions to rules that provide additional flexibility to access community impact awards. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(4) (a) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(b) By December 1, 2024, the office of the superintendent of public instruction must develop a survey requesting specific feedback on the safety net application process from school districts with 3,000 or fewer students. The survey must include, at a minimum, questions regarding the average amount of time school district staff spend gathering safety net application data, filling out application forms, and correcting application deficiencies. The survey must also include questions to help identify which application components are the most challenging and time consuming for school districts to complete. By December 1, 2025, the office of the superintendent of public instruction must use this feedback to implement a simplified, standardized safety net application for all school districts that reduces barriers to safety net funding.

(5) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(6) (a) Beginning in the 2019-20 school year, a high-need student is eligible for safety net awards from state funding under subsection (2) (e) and (g) of this section if the student's individualized education program costs exceed two and three-tenths times the average per-pupil expenditure as defined in Title 20 U.S.C. Sec. 7801, the every student succeeds act of 2015.

(b) Beginning in the 2023-24 school year, a high-need student is eligible for safety net awards from state funding under subsection (2) (e) and (g) of this section if the student's individualized education program costs exceed:

(i) 2 times the average per-pupil expenditure, for school districts with fewer than 1,000 full-time equivalent students;

(ii) 2.2 times the average per-pupil expenditure, for school districts with 1,000 or more full-time equivalent students.

(c) For purposes of (b) of this subsection, "average per-pupil expenditure" has the same meaning as in 20 U.S.C. Sec. 7801, the every student succeeds act of 2015, and excludes safety net funding provided in this section. [2024 c 127 s 2; 2023 c 417 s 4; 2019 c 387 s 2; 2018 c 266 s 106; 2017 3rd sp.s. c 13 s 407; 2009 c 548 s 109.]

Finding—Intent—2024 c 127: "The legislature recognizes that the special education safety net is an important funding resource for school districts that serve high-need students requiring extraordinary high-cost services. However, the legislature finds that the current safety net application requirements are burdensome to school districts, especially those with limited staff, and may discourage school districts from applying for funding. School districts have reported that, as part of the application process, individualized education programs are rigorously analyzed beyond what is necessary to confirm a legitimate demonstration of need, and safety net awards are reduced by up to 45 percent for errors. This practice undermines the expertise of the individualized education program team members, creates barriers to funding for school districts with limited resources, and fails to accurately reimburse school districts for legitimate expenditures. Therefore, the legislature intends to clarify the responsibilities of the safety net oversight committee in reviewing applications and prohibit award reductions for nonmaterial errors. The legislature also intends to simplify the application process to reduce administrative barriers and increase funding accessibility." [2024 c 127 s 1.]

Intent—Findings—2019 c 387: "The legislature intends to provide the funding necessary to support a comprehensive and responsive education system that fully addresses the needs of students with disabilities eligible for special education. Under the current funding model, students with disabilities eligible for special education are funded as basic education students first, with additional funding provided through a statewide multiplier intended to meet the additional needs of each student as established in the student's individualized education program. Additionally, a safety net administered by the office of the superintendent of public instruction

is available for school districts that demonstrate significant extra need beyond what they receive from the base funding formula.

The legislature notes that school districts across the state have identified the need for additional resources to create the educational environment necessary to give every student with an individualized education program the opportunity to succeed. It is the legislature's intent to provide immediate relief to school district special education programs by enhancing the supplemental funding school districts receive for every student in the program of special education and to provide easier access to the safety net when those base funds are not adequate." [2019 c 387 s 1.]

Effective date—2017 3rd sp.s. c 13 ss 401-413: See note following RCW 28A.150.200.

Intent—2017 3rd sp.s. c 13: See note following RCW 28A.150.410.

Effective date—2009 c 548 ss 101-110 and 701-710: See note following RCW 28A.150.200.

Intent—2009 c 548: See RCW 28A.150.1981.

Finding—2009 c 548: See note following RCW 28A.410.270.

Intent—Finding—2009 c 548: See note following RCW 28A.305.130.