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## SENATE BILL 5091

State of Washington 66th Legislature 2019 Regular Session

By Senators Wellman, Conway, Darneille, Wilson, C., Kuderer, and Takko

Prefiled 01/07/19. Read first time 01/14/19. Referred to Committee on Early Learning & K-12 Education.

- 1 AN ACT Relating to state and federal special education funding;
- 2 and amending RCW 28A.150.392 and 28A.150.415.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 28A.150.392 and 2018 c 266 s 106 are each amended to read as follows:
  - $(1)((\frac{1}{2}))$  To the extent necessary, <u>state</u> 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.
- ((<del>b)</del> 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:
- 17 (a) The committee shall award additional funds for districts that 18 can convincingly demonstrate that all legitimate expenditures for 19 special education exceed all available revenues from state <u>basic</u> 20 education funding formulas.

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(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 <u>students</u> eligible for special education((-eligible students)) 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 ((special education)) students with disabilities under the individuals with disabilities act. 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 ((special education)) students with disabilities under the individuals with disabilities act served in residential schools as defined in RCW 28A.190.020, 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 ((for students enrolled in special 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

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superintendent of public instruction in accordance with chapter 318, Laws of 1999.

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- (j) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.
- (k) Beginning in school year 2019-20, the average per pupil expenditure used to determine safety net awards shall be calculated by the aggregate prior year special education expenditures differentiated by salary factor tier, as determined under RCW 28A.150.412 and the omnibus operating appropriations act. Aggregate special education expenditures for this calculation must exclude state safety net funding provided in this section.
- (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, 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) 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.

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1 (5) The safety net oversight committee appointed by the 2 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) Beginning in fiscal year 2020, safety net appropriations provided in the omnibus operating appropriations act may not include federal funding thereby eliminating the federal expenditure ratio requirement for districts to expend three times the statewide average per pupil to qualify for state safety net awards. A state expenditure ratio requirement may be identified in the omnibus operating appropriations act but, if identified, it must be less than the federal expenditure ratio requirement.
- **Sec. 2.** RCW 28A.150.415 and 2017 3rd sp.s. c 13 s 105 are each 19 amended to read as follows:
  - (1) Beginning with the 2018-19 school year, the legislature shall begin phasing in funding for professional learning days for certificated instructional staff. At a minimum, the state must allocate funding for:
    - (a) One professional learning day in the 2018-19 school year;
- 25 (b) Two professional learning days in the 2019-20 school year; 26 and
  - (c) Three professional learning days in the 2020-21 school year.
  - (2) The office of the superintendent of public instruction shall calculate each school district's professional learning allocation as provided in subsection (1) of this section separate from the minimum state allocation for salaries as specified in RCW 28A.150.410 and associated fringe benefits on the apportionment reports provided to each school district. The professional learning allocation shall be equal to the proportional increase resulting from adding the professional learning days provided in subsection (1) of this section to the required minimum number of school days in RCW 28A.150.220(5)(a) applied to the school district's minimum state allocation for salaries and associated fringe benefits for certificated instructional staff as specified in the omnibus

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operating appropriations act. Professional learning allocations shall be included in per-pupil calculations, such as special education, for programs funded on a per-student rate calculation.

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 $\underline{\mbox{(3)}}$  Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

 $((\frac{3}{1}))$  <u>(4)</u> The professional learning days must meet the definitions and standards provided in RCW 28A.415.430, 28A.415.432, and 28A.415.434.

10 (5) Beginning in fiscal year 2020, appropriations for newly
11 funded professional learning days as provided in this section or
12 under RCW 28A.413.060 for staff providing special education services,
13 must include federal special education allocations.

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