

Multiple Agency Fiscal Note Summary

Bill Number: 5532 SB	Title: Special education
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Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Social and Health Services	66.9	14,025,000	14,025,000	73.0	14,822,000	14,822,000	73.0	14,822,000	14,822,000
Superintendent of Public Instruction	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	66.9	14,025,000	14,025,000	73.0	14,822,000	14,822,000	73.0	14,822,000	14,822,000

Local Gov. Courts *									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other **									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Cynthia Hollimon, OFM	Phone: (360) 902-0562	Date Published: Revised 2/ 8/2019
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 55487

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 5532 SB	Title: Special education	Agency: 300-Department of Social and Health Services
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	60.8	73.0	66.9	73.0	73.0
Account					
General Fund-State 001-1	6,614,000	7,411,000	14,025,000	14,822,000	14,822,000
Total \$	6,614,000	7,411,000	14,025,000	14,822,000	14,822,000

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Alex Fairfortune	Phone: 360-786-7416	Date: 01/25/2019
Agency Preparation: Douglas Hoffer	Phone: 360-902-8187	Date: 02/06/2019
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/06/2019
OFM Review: Anna Minor	Phone: (360) 902-0541	Date: 02/06/2019

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 601 of this bill requires a representative from the Division of Vocational Rehabilitation (DVR) in the Department of Social and Health Services (DSHS) to attend all Individualized Education Program (IEP) meetings to assist students with transition planning. The section states that this involvement must occur beginning when a student reaches the age of sixteen and continuing until the student reaches the age of twenty-one, or through high school graduation, whichever occurs first.

DVR does not have the staff to complete this work. Currently, DVR counselors attend IPE meetings for DVR clients but additional resources will be necessary to fulfill the requirement to attend IPE meetings for all students in the specified age group.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

No Cash Receipts.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

It is assumed that this bill will become effective by 7/1/19 and attendance at IEP meetings will begin on September 1, 2019. The Vocational Rehabilitation Counselors required to attend the meetings are assumed to be split between VR Counselor 2's and 3's. DVR's current staffing ratios include 1 Rehabilitation Technician for every 2.5 Vocational Rehabilitation Counselors. The Rehabilitation Technicians provide case management and service delivery support to VR Counselors, including tasks such as: scheduling appointments, organizing and maintaining case files and related documentation, and responding to general inquiries in the absence of a VR Counselor. Rehabilitation Technicians provide technical support and assistance to VR Counselors. Rehabilitation Supervisors are assumed at a ratio of approximately 1 to 11 VR Counselor/Technicians.

Based on data provided by the Office of Superintendent of Public Instruction (OSPI), there are 24,653 students age 16 to 21 with IEP's. Each IEP requires an annual meeting at a minimum. This fiscal note assumes only one IEP per student per year. The average IEP meeting is assumed to take 2 hours with an additional 1.5 hours for travel (3.5 hours per IEP meeting). Currently, VR Counselors already attend IEP meetings for students receiving DVR services. DVR estimates that VR Counselors currently attend 3048 IEP meetings per year which reduces the number of new IEP meeting required by this bill to 21,605 (24,653 students less 3,048 current meetings).

Based on 3.5 hours per meeting for an estimated 21,605 students, the total hours necessary to attend meetings for all students in this age group will be 75,618 hours. Assuming 1,560 available hours per year per employee, 48 new Vocational Rehabilitation Counselors are required to attend the meetings. Additionally, 19 Rehabilitation Technicians and 6 Rehabilitation Supervisors are necessary to support this work. DVR assumes that initial staff hiring would be phased in. It is assumed that 16 VR counselors would be hired by 7/1/19, an additional 16 would be hired by 8/31/19 and the rest of the 48 VR counselors would be hired by October 31, 2019. The Rehabilitation Technicians and Supervisors are phased in using the same assumptions.

See attached Calculations and Assumptions for fiscal impact estimates.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	6,614,000	7,411,000	14,025,000	14,822,000	14,822,000
Total \$			6,614,000	7,411,000	14,025,000	14,822,000	14,822,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	60.8	73.0	66.9	73.0	73.0
A-Salaries and Wages	3,649,000	4,379,000	8,028,000	8,758,000	8,758,000
B-Employee Benefits	1,475,000	1,770,000	3,245,000	3,540,000	3,540,000
C-Professional Service Contracts					
E-Goods and Other Services	754,000	904,000	1,658,000	1,808,000	1,808,000
G-Travel	219,000	263,000	482,000	526,000	526,000
J-Capital Outlays	438,000		438,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service	18,000	22,000	40,000	44,000	44,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	61,000	73,000	134,000	146,000	146,000
9-					
Total \$	6,614,000	7,411,000	14,025,000	14,822,000	14,822,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2020	FY 2021	2019-21	2021-23	2023-25
Rehabilitation Technician 1	45,072	15.8	19.0	17.4	19.0	19.0
Vocational Rehab Counselor 2	62,112	20.0	24.0	22.0	24.0	24.0
Vocational Rehab Counselor 3	65,256	20.0	24.0	22.0	24.0	24.0
Vocational Rehabilitation Supervisor	77,592	5.0	6.0	5.5	6.0	6.0
Total FTEs		60.8	73.0	66.9	73.0	73.0

Part IV: Capital Budget Impact

NONE
None

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

This bill will require the Department to revise and add language to WAC 388-891A-0760 and WAC 388-891A-0855. The costs of these changes can be absorbed by the agency.

Department of Social and Health Services
SB 5532 Fiscal Note

Major Assumptions

- * Assume IPE reviews start on September 1, 2019.
- * Assume Staff required to be hired 7/1/19
- * Vocational Rehabilitation Counselors assumed to be mix of VR Counselor 2's and 3's
- * Rehabilitation Technicians assumed at approximately 1 per 2.5 VR Counselors
- * Rehabilitation Supervisors assumed at approximately 1 to 11 VR Counselor/Technicians's.

24,653 Students age 16-21 with Individual Education Program (IEP) (according to OSPI data)

3,048 Current IPE meetings attended by VR Counselors (assumed @ 2 per month for 127 Counselors).

21,605 New IPE meetings required by this bill.

1 IPE Meetings per year per student (Each IEP requires an annual meeting at a minimum)
3.5 hours per year per student. Each meeting assumed to be 2 hours with 1.5 hours for travel.
1,560 Average Hours per year Per employee

Calculations

75,618 Total Hours per year for effort (21,605 Students X 3.5 hours per student)

48.0 Vocation Rehabilitation Counselors required (Assume 1560 Hours per year per employee)

19.0 Rehabilitation Technicians

6.0 Rehabilitation Supervisors

Individual State Agency Fiscal Note

Bill Number: 5532 SB	Title: Special education	Agency: 350-Superintendent of Public Instruction
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

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Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Alex Fairfortune	Phone: 360-786-7416	Date: 01/25/2019
Agency Preparation: Mike Woods	Phone: 360 725-6283	Date: 02/08/2019
Agency Approval: Mike Woods	Phone: 360 725-6283	Date: 02/08/2019
OFM Review: Cynthia Hollimon	Phone: (360) 902-0562	Date: 02/08/2019

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Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

See attached.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

SB 5532 Fiscal Impacts

Section	Description	FY20	FY21	19-21 Bien	FY22	FY23	21-23 Bien	FY24	FY25	23-25 Bien
201	Prof Development	Indeterminate								
301	ESD SPED Advocates (per Advocate)	\$137,000	\$141,000	\$278,000	\$142,000	\$145,000	\$287,000	\$145,000	\$145,000	\$290,000
401	School Dist Adv Comm	No Impact To OSPI								
502	Reports	No Impact To OSPI								
504	Awards (per 100 schools)	\$1-\$20K	\$1-\$20K	\$2-\$40K	\$1-\$20K	\$1-\$20K	\$2-\$40K	\$1-\$20K	\$1-\$20K	\$2-\$40K
601	Transitional Services	No Impact To OSPI								
701	SPED Allocation Changes									
	Gen Fund State	\$4,253,907	\$5,615,094	\$9,869,001	\$5,764,308	\$5,909,574	\$11,673,882	\$5,942,259	\$5,942,259	\$11,884,518
	Opportunities Pathway	\$109,343	\$144,331	\$253,674	\$148,167	\$151,901	\$300,068	\$152,741	\$152,741	\$305,482
702	Safety Net	\$29,529,171	\$37,467,274	\$66,996,445	\$39,380,373	\$41,164,418	\$80,544,791	\$41,164,418	\$41,164,418	\$82,328,836
703	Coop Program Review	No Impact								

Summary of Impacts

Section	Summary	Impact
201	<p>School districts are to provide professional development regarding students who need special education or related services.</p> <p>The professional development under this section must include all certificated and classified instructional staff, principals, and counselors, and may include other school district staff.</p> <p>For certificated instructional staff teaching students with disabilities in a general education classroom, the professional development must be job-embedded as defined in RCW 28A.415.434.</p>	<p>Indeterminate Impact.</p> <p>There are currently 117,000 staff within the categories of staff required to take the required training. The bill doesn't indicate a timeline for taking the training. The costs of training all 117,000 in one year would be different than phasing in the training requirement.</p> <p>The bill doesn't indicate which entity is responsible for providing the training. (Is OSPI to develop and provide the training? Or is the training to be developed and provided by ESDs?).</p> <p>OSPI fiscal impacts will be dependent upon the number and length of training sessions and the timing of sessions (one year or phased in). OSPI costs could include staff/contractor time for developing/conducting the training, facility rental and substitute reimbursement payments. OSPI assumes training will need to be ongoing due to district staff turnover.</p> <p>School district staff costs statewide for the 117,000 staff impacted by this bill could be \$7.1 million per hour of training.</p>

Summary of Impacts

301	Each Educational Service District (ESD) shall provide or contract, or both, for special education advocates.	Indeterminate Impact. The bill doesn't identify the number of advocates at each ESD. Presumably ESDs representing larger student populations would need more advocates than ESDs representing smaller student populations. Based on projected ESD allocation amounts, the cost of each advocate would be \$137,000 in FY20, \$141,000 in FY21, \$142,000 in FY22, and \$145,000 in subsequent years. OSPI assumes funding would be provided in OSPI's budget for allocation to ESDs.
401	Each school district shall convene an ongoing special education advisory committee. Committee members shall be appointed by school board directors. The majority of committee members must be parents of children with disabilities or individuals with disabilities. Each committee must include one teacher member. Committees are to advise districts on the needs in education of children with disabilities. Committee meetings must be held at least 4 times in a school year and be open to the public.	No impact to OSPI. Allocations to districts will not change. However, districts may incur additional costs for supplemental contracts for the teachers on the advisory committees.
501	Beginning November 15, 2019 and annually thereafter, each school district shall report to the Superintendent of Public Instruction. Report elements are identified.	
502	OSPI will make rules regarding district reporting required in Section 501, and will annually compile and report on the data collected. OSPI's report shall be posted on its web site and submitted to the legislature beginning December 15, 2019 and annually thereafter.	OSPI currently collects these data points and posts an annual report on the website. There is no additional costs to OSPI for this section.
503	Modifies current statutes regarding the statewide indicators of educational system health. Districts that meet or exceed any system -wide performance goals established under RCW 28A.150.550(3) for students with disabilities must be recognized in the next report required in RCW 28A.150.550(5) and must receive a recognition award under Section 504 of this act.	

Summary of Impacts

504	The State Board of Education (SBE), in collaboration with the Office of the Superintendent of Public Instruction (OSPI) shall decide upon the details of the recognition award for districts under Section 503. The award may be a banner, ribbon, medal, trophy, or other type of award. The district shall receive enough of the awards for each individual school in the school district to display the award in school.	Indeterminate Impact. OSPI cannot predict how many districts would receive an award each year. There are approximately 2,500 schools in Washington. Awards cost approximately \$10 each for medals/ribbons, up to \$200 for banners. For every 100 schools the cost could be \$1,000 to \$20,000. OSPI assumes the SBE would provide the awards.
601	Regarding transitional services. Beginning when a student reaches the age of 16 and continuing until the student reaches the age of 21 or through high school graduation, whichever is first, a representative of the Department of Social and Health Services must attend all Individualized Education Program meetings to assist student with transition planning. During meetings to discuss postsecondary goals or postschool visions for the students, students and parent must be provided information about the Washington Achieving a Better Life Experience (ABLE) program.	No direct fiscal impact to OSPI. School Districts may incur minor additional costs resulting from the effort needed to coordinate meetings with DSHS staff. OSPI assumes districts would provide students and parents with ABLE materials currently available on the web sites of the various state agencies involved in the ABLE program.
701	Modifies the funding allocation for special education programs. (need language from T.J.)	See attached.
702	Requires that the state allocation for the Special Education Safety Net program be at least 5% of the total allocated under RCW 28A.150.390(2)(b).	See attached.
703	School districts are encouraged to participate in the establishment or continuation of existing cooperative programs between or among school districts, to provide special education and services to eligible students with disabilities. Prior to the 2020-21 school year and every 5 years thereafter, each special education cooperative must apply for approval of the program by OSPI.	Currently there is one cooperative. It will take approximately two hours to review and approve the program every five years. There is no additional cost to OSPI.

Sections 701 and 702 Impacts

Section 701 - Special Education Allocation Changes						
School Year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Remove State Max SpEd Enroll % for Districts with < 1000 BEA Res	\$ 5,630,000	\$ 5,797,000	\$ 5,946,000	\$ 6,095,000	\$ 6,095,000	\$ 6,095,000
Total School Year	\$ 5,630,000	\$ 5,797,000	\$ 5,946,000	\$ 6,095,000	\$ 6,095,000	\$ 6,095,000
General Fund	\$ 5,488,912	\$ 5,651,727	\$ 5,796,993	\$ 5,942,259	\$ 5,942,259	\$ 5,942,259
Opportunities Pathway	\$ 141,088	\$ 145,273	\$ 149,007	\$ 152,741	\$ 152,741	\$ 152,741
State Fiscal Year	2020	2021	2022	2023	2024	2025
General Fund	\$ 4,253,907	\$ 5,615,094	\$ 5,764,308	\$ 5,909,574	\$ 5,942,259	\$ 5,942,259
Opportunities Pathway	\$ 109,343	\$ 144,331	\$ 148,167	\$ 151,901	\$ 152,741	\$ 152,741
Total Fiscal Year	\$ 4,363,250	\$ 5,759,425	\$ 5,912,475	\$ 6,061,475	\$ 6,095,000	\$ 6,095,000
State Biennium	2019-21		2021-23		2023-25	
Total Biennium	\$ 10,122,675		\$ 11,973,950		\$ 12,190,000	
<p>For purposes of costing this note, OSPI assumes the ratio of enrollment in SY 2018-19 districts with less than 1,000 DEA resident students will remain the same is caseload forecast outyears. Of total enrolled students, in SY 2018-19, 170 districts had less than 1,000 BEA resident enrollment. Out of the 170 districts, 84 districts are capped at the funding maximum percentage of 13.5%. Eliminating this maximum for these districts would increase K-21 special education enrollment by 0.49%. Applying this percentage to caseload forecasted special education enrollment for SY 2019-20 would cost approximately \$5.6 million.</p>						

Section 702 - State Safety Net Impacts						
	2020	2021	2022	2023	2024	2025
Excess Cost Allocation Projection	\$ 1,301,654,036	\$ 1,397,929,533	\$ 1,434,550,748	\$ 1,468,516,657	\$ 1,468,516,657	\$ 1,468,516,657
5% for Safety Net	\$ 65,481,171	\$ 73,419,274	\$ 75,332,373	\$ 77,116,418	\$ 77,116,418	\$ 77,116,418
Safety Net Appropriation	\$ 35,952,000	\$ 35,952,000	\$ 35,952,000	\$ 35,952,000	\$ 35,952,000	\$ 35,952,000
Incremental Change	\$ 29,529,171	\$ 37,467,274	\$ 39,380,373	\$ 41,164,418	\$ 41,164,418	\$ 41,164,418
<p>The projected Safety Net appropriations are based on the FY19 appropriation level. Safety Net appropriation levels are adjusted annually based on student need. For the purposes of projecting incremental changes, OSPI assumes a flat appropriation level in future years.</p>						