

Multiple Agency Fiscal Note Summary

Bill Number: 5315 S SB	Title: Special education/nonpublic
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	Fiscal note not available					
Local Gov. Other						
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Superintendent of Public Instruction	3.9	1,821,000	1,821,000	1,821,000	3.3	1,458,000	1,458,000	1,458,000	3.3	1,458,000	1,458,000	1,458,000
Total \$	3.9	1,821,000	1,821,000	1,821,000	3.3	1,458,000	1,458,000	1,458,000	3.3	1,458,000	1,458,000	1,458,000

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
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

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Preliminary 2/10/2023
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Individual State Agency Fiscal Note

Bill Number: 5315 S SB	Title: Special education/nonpublic	Agency: 350-Superintendent of Public Instruction
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	4.6	3.3	3.9	3.3	3.3
Account					
General Fund-State 001-1	1,092,000	729,000	1,821,000	1,458,000	1,458,000
Total \$	1,092,000	729,000	1,821,000	1,458,000	1,458,000

Estimated Capital Budget Impact:

NONE

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:

- 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.
- 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: Kayla Hammer	Phone: 360-786-7400	Date: 02/06/2023
Agency Preparation: Jami Marcott	Phone: (360) 725-6230	Date: 02/08/2023
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 02/08/2023
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/10/2023

Part II: Narrative Explanation

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

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

Changes in SSB 5315 compared to SB 5315:

Section 2

(1) Clarifying language is added that a nonpublic agency means a private in-state or out-of-state agency that contracts with a school district to provide special education to students with disabilities. "Nonpublic agency school" is now added which means a Washington State private school approved by the State Board of Education that contracts with a school district to provide special education for students with disabilities.

(2) This section directs OSPI to create a master contract to govern the placement of special education students receiving services with nonpublic agencies. Language is added that requires districts, that choose to contract with nonpublic agencies, to use this master contract to ensure uniform standards are met. Districts may adapt the master contract to include additional elements.

(3) (a) This section now adds an exception to the site visit requirement. It also requires the site visit to take place within 30 days of the student beginning to receive services.

(3)(b) Nonpublic agency schools that are approved by the State Board of Education may seek a five-year preapproval from OSPI. To grant preapproval, OSPI must visit the site and determine that the facilities, staffing levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment. This visit may occur independently from an application for contract approval. Once preapproval is granted, the nonpublic agency school is exempt from on-site visit requirements from OSPI when seeking contract approval under this section. Preapprovals may be renewed every five years with a new on-site visit by OSPI.

(4)(b) OSPI must notify the State Board of Education if any nonpublic agency school is investigated for noncompliance, directed to complete corrective action, or fails to maintain contract approval under this section.

(5) When creating the master contract, OSPI must seek to streamline requirements and reduce procedural redundancies, including coordinating with the State Board of Education to align requirements for nonpublic agency schools.

Summary of SSB 5315:

Section 1(6)

RCW 28A.155.090 and 2007 c 115 s 11 are amended to include the following:

OSPI shall establish standards for approval, monitoring, and investigating school district contracts with nonpublic agencies operating special education programs. Standards shall ensure that any student served by a nonpublic agency has the same rights and protections as they would if they were served by a school district.

Section 2

RCW 28A.155.060 and 2007 c 115 s 6 are amended

(1) For the purposes of this section, a nonpublic agency means a private in-state or out-of-state agency that contracts with a school district to provide a program of special education for students with disabilities. "Nonpublic agency school" is now added which means a Washington State private school approved by the State Board of Education that contracts with a school district to provide special education for students with disabilities.

(2) OSPI must create a master contract to govern placement of students receiving services with nonpublic agencies. The master contract must be used by districts to ensure uniform standards are met. Districts may adapt the master contract to

include additional elements. The master contract must include, at minimum:

- a. A description of the administrative and financial agreements between the school district and the nonpublic agency;
- b. A list of each qualified staff member providing special education services and copy of their qualifying credentials;
- c. A description of the financial safeguards in place to track revenues and expenditures;
- d. A description of the nonpublic agency's responsibilities and process for data collection and reporting
- e. Acknowledgment that the nonpublic agency must comply with all emergency response protocols and isolation and restraint procedures provided in each Individualized Education Program (IEP);
- f. Acknowledgment that the nonpublic agency must notify the school district and OSPI of any program, staffing, or facility changes that may affect the agency's ability to provide services.
- g. Acknowledgment that the nonpublic agency must comply with all state and federal laws

(3)(a) Except as provided in (b) of this subsection, OSPI and the contracting school district must conduct an on-site visit within 30 days of a student receiving services. The school district must conduct at least one on-site visit annually thereafter. The on-site visit must ensure that all facilities, staffing levels, and procedural safeguards are sufficient to provide a safe and appropriate environment for all students served and verify compliance with contract requirements.

(3)(b) Nonpublic agency schools that are approved by the State Board of Education may seek a five-year preapproval from OSPI. To grant preapproval, OSPI must visit the site and determine that the facilities, staffing levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment. This visit may occur independently from an application for contract approval. Once preapproval is granted, the nonpublic agency school is exempt from on-site visit requirements from OSPI when seeking contract approval under this section. Preapprovals may be renewed every five years with a new on-site visit by OSPI.

(4)(a) OSPI may approve such contract for up to three years. OSPI may suspend, revoke, or refuse to renew said contract if the nonpublic agency:

- a. Fails to comply with all contract requirements;
- b. Violates the rights of eligible students; or
- c. Refuses to implement corrective actions ordered by OSPI

(4)(b) OSPI must notify the State Board of Education if any nonpublic agency school is investigated for noncompliance, direct to complete corrective action, or fails to maintain contract approval under this section.

(5) When creating the master contract, OSPI must seek to streamline requirements and reduce procedural redundancies, including coordinating with the State Board of Education to align requirements for nonpublic agency schools.

Section 3

RCW 28A.155.210 and 2013 c 202 s 3 are amended

Language is added to ensure that if a student is served by a nonpublic agency, the student's IEP must specify any additional procedures required to ensure the nonpublic agency fully complies with RCW 28A.600.485.

Section 4

(1)(d) A definition is added that states School means a public school as defined in RCW 28A.150.010 or a nonpublic agency that contracts with a school district as authorized under RCW 28A.155.060.

(7)(b) Language is added that allows OSPI to use the data collected in this subsection to determine if a nonpublic agency is in compliance with all contract obligations and approval standards.

Section 5

A new section is added to chapter RCW 28A.155.

(1) Beginning December 1, 2023, OPSI must report annually regarding student placements at nonpublic agencies. The report must be posted on OSPI's website

(2) The required report data in subsection (1) must be disaggregated by nonpublic agency when it is possible to do so without disclosing a student's personally identifiable information.

Section 6

RCW 28A.310.515 and 2021 c 38 s 4 are amended

(3) Language is added allowing ESDs to provide classroom training on the subjects listed in subsection (2) to nonpublic agencies located in Washington that contract with school districts to provide a platform of special education to students.

Section 7

This new section requires this act to take effect immediately.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

No impact to cash receipts

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

OSPI will require a 3.25 FTE, Program Supervisor, to accomplish the work identified in this bill. The cost is \$529,000 in FY24 and \$492,000 annually thereafter. The work includes the following sections:

Section 1(6)

OSPI shall establish standards for approval, monitoring, and investigating school district contracts with nonpublic agencies operating special education programs. OSPI estimates 100 hours of staff time in FY24 to complete this work.

Section 2

Subsections (2), (4), and (5) define OSPI's role in creating, executing, and monitoring a master contract.

Subsection (3) requires OSPI and the school district to conduct a joint on-site visit of the nonpublic agency within 30 days of when a student begins receiving contracted services. The contracting school district must conduct at least one on-site visit annually thereafter while the contract is in effect. The latest data shows 574 students currently placed at a nonpublic agency, 60 of which are out-of-state. The requirement that an on-site visit be conducted within 30 days of each student beginning services would require at least 574 on-site visits each year, 60 of which would require out of state travel. Additional travel costs to visit 60 out-of-state sites each year would cost at least \$158,000 annually. Adding private schools as nonpublic agency schools would increase the number of site visits each year. This change in language from the previous bill version would require an additional 2.0 FTE, Program Supervisors, to complete.

Section 5

Beginning December 1, 2023, OPSI must report annually regarding student placements at nonpublic agencies. The report must be posted on OSPI's website. The required report data in subsection (1) must be disaggregated by nonpublic agency when it is possible to do so without disclosing a student's personally identifiable information.

Development of the system would cost an estimated \$169,000 in FY24 based on costs to develop similar applications. An additional \$79,000 annually would be required for enhancements/maintenance. OSPI staff costs include project management, data gathering and testing, and annual maintenance and support. This would include the following positions in FY24 only:

1. Technical Coordinator, 0.6 FTE, \$108,000
2. Application Developer, 0.6 FTE, \$108,000
3. Database Administrator, 0.1 FTE, \$20,000

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	1,092,000	729,000	1,821,000	1,458,000	1,458,000
Total \$			1,092,000	729,000	1,821,000	1,458,000	1,458,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	4.6	3.3	3.9	3.3	3.3
A-Salaries and Wages	428,000	294,000	722,000	588,000	588,000
B-Employee Benefits	224,000	154,000	378,000	308,000	308,000
C-Professional Service Contracts	169,000	79,000	248,000	158,000	158,000
E-Goods and Other Services	31,000	22,000	53,000	44,000	44,000
G-Travel	189,000	180,000	369,000	360,000	360,000
J-Capital Outlays	51,000		51,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	1,092,000	729,000	1,821,000	1,458,000	1,458,000

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 2024	FY 2025	2023-25	2025-27	2027-29
Application Developer	103,000	0.6		0.3		
Database Administrator	105,000	0.1		0.1		
Program Supervisor	91,000	3.3	3.3	3.3	3.3	3.3
Technical Coordinator	103,000	0.6		0.3		
Total FTEs		4.6	3.3	3.9	3.3	3.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

No capital budget impact.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.