

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1109 S HB	<b>Title:</b> Special education funding
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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	Non-zero but indeterminate cost and/or savings. Please see discussion.					
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	81,000	81,000	81,000	.1	39,000	39,000	39,000	.0	0	0	0
Superintendent of Public Instruction	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
<b>Total \$</b>	<b>0.3</b>	<b>81,000</b>	<b>81,000</b>	<b>81,000</b>	<b>0.1</b>	<b>39,000</b>	<b>39,000</b>	<b>39,000</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
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
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Other									
Local Gov. Total									

## Estimated Capital Budget Breakout

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3973	<b>Date Published:</b> Final 3/14/2023
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1109 S HB	<b>Title:</b> Special education funding	<b>Agency:</b> 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	0.3	0.3	0.3	0.1	0.0
<b>Account</b>					
General Fund-State 001-1	42,000	39,000	81,000	39,000	0
<b>Total \$</b>	<b>42,000</b>	<b>39,000</b>	<b>81,000</b>	<b>39,000</b>	<b>0</b>

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### 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: Alex Fairfortune	Phone: 360-786-7416	Date: 03/03/2023
Agency Preparation: Jami Marcott	Phone: (360) 725-6230	Date: 03/13/2023
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 03/13/2023
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 03/14/2023

## 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 SHB 1109 Compared to HB 1109:

Section 5 New

A null and void clause is added.

Summary of SHB 1109:

Section 1

This bill intends to provide funding so schools can perform special education initial evaluations and develop Individualized Education Programs (IEPs) for eligible students during the summer months. Funding would be provided with reimbursements for the costs of these activities during the summers of 2023, 2024, and 2025 by expanding the uses of special education safety net.

Section 2

- (1) OSPI shall reimburse school districts, charter schools, and state-tribal education compact schools up to:
  - a. \$3,000 per eligible student for conducting initial evaluations for special education; and
  - b. \$3,000 per eligible student for development of IEPs and, if needed, assistive technology devices and services.
- (2) Reimbursements provided under this section are only for activities in subsection 1 that are conducted July-September.
- (3) OSPI shall establish processes and procedures to implement this section.
- (4) Schools without capacity to conduct these activities during the summer may contract for these activities to be completed by ESDs or private organizations with expertise.
- (5) (a) Recipients of this funding are required to submit the number of hours of staff time spent conducting initial student evaluations, developing IEPs, and performing related administrative staff, disaggregated by staff type. Recipients must also submit the number of initial student evaluations conducted and IEPs developed, per month, between September 2021 and September 2024, disaggregated by student grade level or age, if in preschool.  
(b) Annually by December 1st, OSPI must submit a report with a summary of the information submitted under subsect (a) and a commentary on the effectiveness of the reimbursements.
- (6) For the purposes of this section, eligible student means a student with an incomplete evaluation as of June 30th of the current year, who was referred for an initial evaluation prior to June 30th of the current year.
- (7) This section sunsets June 30, 2026.

Section 3

RCW 208A.150.392 and 2019 c 387 s 2 are amended

- (2) This section identifies the conditions and limitations in which safety net funds shall be awarded.
  - (2)(d) is modified to include subsection h in the district's determination of need.
  - (2)(g) is modified by replacing RCW 28A.190.020 with 28A.190.005 as the former was repealed in 2021
  - (2)(h) is new language added requiring the committee to consider the extraordinary costs associated with conducting high numbers of initial evaluations for special education and related services, and development of IEPs during a school year. Safety net awards under this subsection shall be adjusted to reflect amounts awarded under (e) and (f).

Section 4 New

Section 3 of this act takes effect July 1, 2026.

Section 5 New

Null and void clause

### 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.

**Section 2**

This section requires OSPI staffing to process reimbursements to school districts, charter schools, and state-tribal education compact schools for initial student evaluations, IEP development, and other administrative activities during the summer months. It also requires an annual report based on information gathered from schools that qualified for reimbursement and commentary on the effectiveness of the reimbursement. This work will require 0.25 FTE, Program Supervisor. The cost is \$42,000 in FY24, and \$39,000 in FY25 and FY26.

The amount estimated in grant funds to districts is indeterminate. It is unknown how many districts will conduct initial screenings during the summer and how many students would need to be served.

**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	42,000	39,000	81,000	39,000	0
<b>Total \$</b>			42,000	39,000	81,000	39,000	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	0.3	0.3	0.1	
A-Salaries and Wages	23,000	23,000	46,000	23,000	
B-Employee Benefits	12,000	12,000	24,000	12,000	
C-Professional Service Contracts					
E-Goods and Other Services	2,000	2,000	4,000	2,000	
G-Travel	2,000	2,000	4,000	2,000	
J-Capital Outlays	3,000		3,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	42,000	39,000	81,000	39,000	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

**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
Program Supervisor	90,500	0.3	0.3	0.3	0.1	
<b>Total FTEs</b>		0.3	0.3	0.3	0.1	0.0

**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 impact to the capital budget.

**Part V: New Rule Making Required**

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

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1109 S HB	<b>Title:</b> Special education funding	<b>Agency:</b> SDF-School District Fiscal Note - SPI
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

**Estimated Operating Expenditures from:**

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

**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.*

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- Requires new rule making, complete Part V.

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*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 SHB 1109 Compared to HB 1109:

Section 5 New

A null and void clause is added.

Summary of SHB 1109:

Section 1

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- (3) OSPI shall establish processes and procedures to implement this section.
- (4) Schools without capacity to conduct these activities during the summer may contract for these activities to be completed by ESDs or private organizations with expertise.
- (5) (a) Recipients of this funding are required to submit the number of hours of staff time spent conducting initial student evaluations, developing IEPs, and performing related administrative staff, disaggregated by staff type. Recipients must also submit the number of initial student evaluations conducted and IEPs developed, per month, between September 2021 and September 2024, disaggregated by student grade level or age, if in preschool.  
(b) Annually by December 1st, OSPI must submit a report with a summary of the information submitted under subsect (a) and a commentary on the effectiveness of the reimbursements.
- (6) For the purposes of this section, eligible student means a student with an incomplete evaluation as of June 30th of the current year, who was referred for an initial evaluation prior to June 30th of the current year.
- (7) This section sunsets June 30, 2026.

Section 3

RCW 208A.150.392 and 2019 c 387 s 2 are amended

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  - (2)(d) is modified to include subsection h in the district's determination of need.
  - (2)(g) is modified by replacing RCW 28A.190.020 with 28A.190.005 as the former was repealed in 2021
  - (2)(h) is new language added requiring the committee to consider the extraordinary costs associated with conducting high numbers of initial evaluations for special education and related services, and development of IEPs during a school year. Safety net awards under this subsection shall be adjusted to reflect amounts awarded under (e) and (f).

Section 4 New

Section 3 of this act takes effect July 1, 2026.

Section 5 New

Null and void clause

### 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.

The impact to school district cash receipts is indeterminate. It is unknown how many districts will conduct initial screenings during the summer and how many students would need to be served.

## 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.

### Section 2

The cost to school districts is indeterminate. Most evaluation teams consist of 5-6 members including a psychologist, speech language pathologist, occupational therapist, physical therapist, registered nurse, and special education teacher. Evaluations take approximately four weeks. There are additional costs for testing supplies that vary dependent upon the unique needs of the student. District cost to perform the initial evaluation is expected to exceed the \$6,000 per student reimbursement rate. Smaller school districts may face greater challenges as the same specialists are required regardless of how many students are evaluated. Districts would also face challenges implementing the bill this school year as the year is already underway and contracts are already in place. It is unknown how many districts would choose to contract out these activities or the associated cost to enter into these agreements.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

### III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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

NONE

### 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 impact to Capital budget.

## **Part V: New Rule Making Required**

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