

Multiple Agency Fiscal Note Summary

Bill Number: 5852 SB	Title: Special education safety net
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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		579,000		1,158,000		1,158,000
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	.0	581,000	581,000	581,000	.0	1,158,000	1,158,000	1,158,000	.0	1,158,000	1,158,000	1,158,000
Total \$	0.0	581,000	581,000	581,000	0.0	1,158,000	1,158,000	1,158,000	0.0	1,158,000	1,158,000	1,158,000

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			579,000			1,158,000			1,158,000
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

Estimated Capital Budget Breakout

Prepared by: Brian Fechter, OFM	Phone: (360) 688-4225	Date Published: Final 1/31/2024
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Individual State Agency Fiscal Note

Bill Number: 5852 SB	Title: Special education safety net	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	0.0	0.0	0.0	0.0	0.0
Account					
General Fund-State 001-1	0	581,000	581,000	1,158,000	1,158,000
Total \$	0	581,000	581,000	1,158,000	1,158,000

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: Alex Fairfortune	Phone: 360-786-7416	Date: 01/02/2024
Agency Preparation: Jami Marcott	Phone: (360) 725-6230	Date: 01/17/2024
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 01/17/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 01/19/2024

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.

Section 1 – New

Current safety net application processes are burdensome and may discourage school districts from applying for funding. School districts report that the application process requires individualized education programs (IEP) to be analyzed beyond what is necessary to confirm demonstration of need, and that safety net awards are reduced up to 45 percent for errors. The legislature intends to clarify the responsibilities of the safety net oversight committee and to simplify the application process to reduce administrative barriers and increase funding availability.

Section 2; Amends RCW 28A.150.392 and 2023 c 417 s 4

(2)(a) This section adds new criteria for the Safety Net Committee to use when evaluating awards. 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 (IEP) beyond confirming documented and quantified services and evidence of corresponding expenditures for which a district seeks reimbursement.

(2)(j) Language is added that Safety Net awards must be adjusted for an unresolved audit findings or exceptions. They may only be adjusted for errors in the Safety Net applications or IEPs that materially affect the demonstration of need.

(4)(b) This subsection is added requiring, by December 1, 2024, OSPI must develop a survey requesting feedback on the Safety Net application process from districts with 3,000 or fewer students. At minimum, the survey must include questions regarding the average amount of time district staff spend gathering Safety Net application data, filling out application forms, and correcting application deficiencies. It must also include questions to help identify which application components are the most challenging and time consuming for districts to complete. By December 1, 2025, OSPI must use this feedback to implement a simplified, standardized Safety Net application for all districts that reduces barriers to funding.

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; Amends RCW 28A.150.392 and 2023 c 417 s 4

This section provides new criteria the Safety Net Committee must use when reviewing and approving Safety Net awards. The committee must adjust awards for any unresolved audit findings or exceptions as well as errors in the applications or IEPs that affect the demonstrated need. OSPI believes the new criteria will result in additional approved funding for Safety Net awards. To estimate this increase, OSPI used the new parameters to reevaluate the 2022-23 applications. OSPI estimates an additional \$579,000 would have been approved to districts. OSPI assumes the projected increase would be ongoing.

(4)(b) This subsection is added requiring, by December 1, 2024, OSPI must develop a survey requesting feedback on the Safety Net application process from districts with 3,000 or fewer students. At minimum, the survey must include questions regarding the average amount of time district staff spend gathering Safety Net application data, filling out application forms, and correcting application deficiencies. It must also include questions to help identify which application components are the

most challenging and time consuming for districts to complete. By December 1, 2025, OSPI must use this feedback to implement a simplified, standardized Safety Net application for all districts that reduces barriers to funding.

OSPI estimates it will require 30 hours of staff time to complete the survey, evaluate the feedback and make modifications to the Safety Net application. The cost of this is \$2,000 in FY25.

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	0	581,000	581,000	1,158,000	1,158,000
Total \$			0	581,000	581,000	1,158,000	1,158,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.0	0.0		
A-Salaries and Wages		884	884		
B-Employee Benefits		867	867		
C-Professional Service Contracts					
E-Goods and Other Services		68	68		
G-Travel		68	68		
J-Capital Outlays		113	113		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		579,000	579,000	1,158,000	1,158,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	581,000	581,000	1,158,000	1,158,000

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
Administrative Program Specialist 2	88,416		0.0	0.0		
Total FTEs			0.0	0.0		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

Bill Number: 5852 SB	Title: Special education safety net	Agency: SDF-School District Fiscal Note - SPI
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Local School District-State NEW-1		579,000	579,000	1,158,000	1,158,000
Total \$		579,000	579,000	1,158,000	1,158,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
Local School District-State NEW-1	0	579,000	579,000	1,158,000	1,158,000
Total \$	0	579,000	579,000	1,158,000	1,158,000

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: Alex Fairfortune	Phone: 360-786-7416	Date: 01/02/2024
Agency Preparation: Jami Marcott	Phone: (360) 725-6230	Date: 01/31/2024
Agency Approval: TJ Kelly	Phone: (360) 725-6301	Date: 01/31/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 01/31/2024

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.

Section 1 – New

Current safety net application processes are burdensome and may discourage school districts from applying for funding. School districts report that the application process requires individualized education programs (IEP) to be analyzed beyond what is necessary to confirm demonstration of need, and that safety net awards are reduced up to 45 percent for errors. The legislature intends to clarify the responsibilities of the safety net oversight committee and to simplify the application process to reduce administrative barriers and increase funding availability.

Section 2; Amends RCW 28A.150.392 and 2023 c 417 s 4

(2)(a) This section adds new criteria for the Safety Net Committee to use when evaluating awards. 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 (IEP) beyond confirming documented and quantified services and evidence of corresponding expenditures for which a district seeks reimbursement.

(2)(j) Language is added that Safety Net awards must be adjusted for an unresolved audit findings or exceptions. They may only be adjusted for errors in the Safety Net applications or IEPs that materially affect the demonstration of need.

(4)(b) This subsection is added requiring, by December 1, 2024, OSPI must develop a survey requesting feedback on the Safety Net application process from districts with 3,000 or fewer students. At minimum, the survey must include questions regarding the average amount of time district staff spend gathering Safety Net application data, filling out application forms, and correcting application deficiencies. It must also include questions to help identify which application components are the most challenging and time consuming for districts to complete. By December 1, 2025, OSPI must use this feedback to implement a simplified, standardized Safety Net application for all districts that reduces barriers to funding.

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.

Section 2; Amends RCW 28A.150.392 and 2023 c 417 s 4

Due to new criteria the Safety Net Committee must use when reviewing and approving Safety Net awards, OSPI believes school districts statewide will see an increase in cash receipts. To estimate this increase, OSPI used the new parameters to reevaluate the 2022-23 applications. OSPI estimates an additional \$579,000 would have been approved to districts. OSPI assumes this would be the average increase over the current funding.

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; Amends RCW 28A.150.392 and 2023 c 417 s 4

This section provides new criteria the Safety Net Committee must use when reviewing and approving Safety Net awards. The committee must adjust awards for any unresolved audit findings or exceptions as well as errors in the applications or IEPs that affect the demonstrated need. OSPI believes the new criteria will result in additional approved funding for Safety Net awards to support excess costs for special education students. To estimate this increase, OSPI used the new parameters to reevaluate the 2022-23 applications. OSPI estimates an additional \$579,000 would have been approved to districts. OSPI assumes this would be the average increase over the current funding.

Section 2(4)(b)

This subsection requires OSPI to create a survey for school districts to provide feedback on the complexity and challenges associated with the Safety Net application. OSPI is to use the results to create a simplified, standardized Safety Net application for all districts that reduces barriers to funding. This bill does not require districts to respond to the survey, therefore, there is no fiscal impact.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
NEW-1	Local School District	State	0	579,000	579,000	1,158,000	1,158,000
Total \$			0	579,000	579,000	1,158,000	1,158,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		579,000	579,000	1,158,000	1,158,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	579,000	579,000	1,158,000	1,158,000

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

There is 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.