



## 2023 LEGISLATIVE CONFERENCE HOT TOPICS

The public education system is named in the state constitution as Washington’s paramount duty. No other system has the same designation. School directors and administrators continue to advocate for public education while supporting and elevating the staff that enables it to exist and thrive. While our system continues to support students and families in unique and innovative ways, as exemplified during the pandemic, it is also severely strained. Despite our staff being exhausted, we persist in providing a fair and free public education to over 1.1 million students. However, we are desperate for the resources to improve the outcomes for each and every student in our system – and we are relying on the Legislature to help us do so.

School directors, administrators, and business officers have come together this session with a deliberate focus on just two issues: special education and transportation. Our collective interests are to effectively serve our students with disabilities and transport students to and from school in a safe and efficient manner. These responsibilities cannot be achieved without a significant investment from this Legislature and we ask for your commitment this session to enable us deliver on the promise of public education.

### FULLY FUND SPECIAL EDUCATION SERVICES

Funding that school districts currently receive for special education services is not well aligned with expenditures, leaving most districts to rely on local levies to supplement special education programs. School districts have state and federal legal obligations to serve all students with disabilities in Washington, regardless of cost of services.

We acknowledge over the last four years, the Legislature has: increased the special education excess cost multiplier (2019); provided additional funding for safety net awards (2020); and provided funding for additional transition services, for professional development, and for family liaisons (2021). While these incremental steps to reduce the special education funding gap are positive and appreciated, WASA/WSSDA/WASBO urge the 2023 Legislature to take more deliberate action to provide full funding of special education costs and align funding with best practices. Specifically, we request the Legislature increase the special education tiered multiplier to fully cover the cost of special education services; remove the current, artificial 13.5 percent funding cap; and sustain the state’s investment in the Inclusionary Practices Project (IPP).

**SB 5311** (Wellman) would increase special education excess cost multipliers for Pre-K and grades K-12 over a four-year period; increase the special education enrollment funding cap from 13.5 percent to 15.0 percent; and adjust special education safety net eligibility to allow school districts with low or no regionalization to more quickly—and equitably—access safety net funds. Funding to maintain IPP is expected to continue to be a proviso in the 2023-25 Operating Budget and is not included in this bill.

**HB 1436** (Pollet) was introduced by request of Superintendent Reykdal. As introduced, the bill would have fully implemented Supt. Reykdal's budget request for special education. It would have increased the special education tiered multiplier, Pre-K through K-12, to move the state closer to a funding model that more closely reflects the actual costs of service delivery; eliminated the enrollment funding cap; and sustained the state-funded professional development and job-embedded coaching provided through the Inclusionary Practices Project. Unfortunately, as recently amended by the House Appropriations Committee, the bill dramatically reduces the proposed increases in the special education multiplier for grades K-12, while removing increased multipliers for Pre-K; and eliminates the special education funding cap, but only after phasing in increases until 2027-28. New language is also added, requiring OSPI to divert a portion of a school district's general apportionment basic education allocation if the district's special education expenditures exceed funding provided.

#### **Talking Points:**

- We appreciate the Legislature's incremental increases to support special education in the last few years; however, it is time to take deliberate action to provide full funding of special education costs. The Legislature has a legal and moral obligation to adequately fund the actual cost of special education programs.
- Immediately increasing the tiered multipliers AND removing the funding cap are critical; however, if the Operating Budget cannot support it, we can accept a phased in solution—if we can be assured the Legislature won't backtrack.
- We support, at the minimum, the Senate's (SB 5311 as adopted by the Senate Early Learning & K-12 Education Committee) proposed multiplier increases; and, while we request the elimination of the spending cap, we will support the House's (HB 1436) proposed four-year phased increases, with its elimination in 2027-28.
- We support OSPI's monitoring of and reporting on districts' excess costs associated with special education and a requirement that OSPI review the current methodology and recommend any changes.
- We support the state-funded professional development and job-embedded coaching provided through the Inclusionary Practices Project and request funding be provided to sustain the work. The evidence is clear: funding of inclusionary practices efforts has had a positive impact and the benefit of an increase in inclusive settings for students with disabilities is undeniable.
- We urge the Legislature to NOT allow other costs to school districts, via unfunded mandates, to eat up the additional special education funds intended to serve students.

#### **FIX PUPIL TRANSPORTATION**

The state's current model for providing school districts with funding for student transportation is opaque, unpredictable, and does not sufficiently provide for the actual costs of transporting students to and from school each day.

In the last session, WASA/WSSDA/WASBO, along with most of the education community, made a considerable effort to persuade the Legislature to finally overhaul the current pupil transportation funding model. Key legislators were committed to advancing appropriate revisions; however, the task ultimately proved to be too complex in a short, supplemental session. Instead, legislators decided to take an initial, first step to fixing the formula by providing reimbursements to school districts which had excess costs due to transporting "special passengers." Special passengers were defined as: special education students; homeless students under McKinney-Vento; and students in foster care.

Legislation was introduced in both houses last year to support this short-term solution regarding special passengers; however, due to a dispute between legislators, both bills died. Fortunately, we were able to

salvage the issue by persuading budget-writers to include funding in the 2022 Supplemental Operating Budget. In the end, \$13.0 million in one-time funding, was provided to implement a portion of the bills' provisions. Legislators committed to us that this was just the first step to updating the base formula to ensure it is more transparent, predictable, and adequately funded. Legislators in both houses again stepped up with proposed fixes this year to fulfill that commitment.

**SB 5174** (Wellman) would: provide safety net funding to fully reimburse excess costs for special passengers; revise the funding formula by counting riders and the total sum of miles driven, adjusted by multipliers for high density urban districts, and rural, geographically large districts; and require OSPI to provide an analysis of school district transportation costs and allocations to the Legislature by June 1, 2026. Additionally, the bill would hold districts harmless, ensuring no district lost funding compared to previous years. An additional provision was added requiring districts that contract for pupil transportation services to ensure contracted employees receive health care and pension benefits comparable to school employee benefits. One-time funding would be provided to assist districts that experienced an increase in costs to pupil transportation services contracts due to the new benefit requirements.

**HB 1248** (Stonier) would: provide safety net funding to fully reimburse excess costs for special passengers; replace the current funding formulas with a new formula based on per-pupil and per-mile rates, and reimbursement of reported special passenger costs, while requiring OSPI to provide a district's 2022-23 allocation increased for inflation if greater than the new formula. Like the Senate bill, language is added requiring contractors providing pupil transportation services to provide their employees with benefits comparable to those that school employees receive. One-time funding to support the provision is also included.

#### **Talking Points:**

- While the Legislature failed to address this issue last session, we were encouraged by assurances last interim that the Student Transportation Allocation Reporting System (STARS) transportation funding formula would be addressed this session. However, HB 1248 and SB 5174, in their current form, continue to fall short. Now is the time for the Legislature to undertake a comprehensive revision of the current pupil transportation funding model to ensure it is more transparent, predictable, and adequately funded.
- We appreciate the funding provided in 2022 to support school districts which had excess costs due to transporting special passengers, defined as special education students; homeless students under McKinney-Vento; and students in foster care.
- We support continued provision of funds to transport special passengers and making the one-time funding permanent would make a significant investment in special education by fully funding all special education trips; however, actual funding of special passenger costs should be provided without requiring districts to jump through the hoops of a new safety net process.
- A recent review conducted by the Office of Financial Management (OFM) found that, in most situations, the current transportation funding formula will continue to fail to provide adequate resources to school districts. This forces most school districts to use local levy funds to support the actual costs of transporting students to and from school each day.
- The current funding model accounts for some of the major school district characteristics for the state as a whole but does not take into account school districts' unique characteristics, including: school districts with a large homeless population; school districts with a large special education population that require special transportation; school districts located in high density urban areas; or school districts located in rural, geographically large areas.

- We support employees who provide contracted pupil transportation services receiving health and pension benefits; however, if the Legislature believes this is good public policy, the Legislature needs to fully cover the costs. Providing only one-time funding will force school districts to pay for these benefits, undercutting whatever investment the Legislature makes to support pupil transportation.