



Funding the Special Education Safety Net

2023 Supplemental Operating Budget Decision Package

Recommendation Summary

Washington’s school funding model provides funding dedicated to serving students with disabilities based on an enhanced basic education rate that varies depending on the learning environment in which students with disabilities participate in learning activities. Funding is limited to 13.5% of a local education agency’s student enrollment. The Safety Net program provides additional funding to address extraordinary costs associated with serving students with exceptional needs. This request is for \$16 million in additional funding for state fiscal year (FY) 2023 to align with the actual expenditures paid in August 2022.

Fiscal Details (Funding, FTEs, Revenue, Objects)

Operating Expenditures	FY 2022	FY 2023	FY 2024	FY 2025
General Fund State - 01	\$0	\$16,000,000	\$0	\$0
Total Expenditures	\$0	\$16,000,000	\$0	\$0
Biennial Totals	\$16,000,000		\$0	
Staffing	FY 2022	FY 2023	FY 2024	FY 2025
FTEs	0.0	0.0	0.0	0.0
Average Annual	0.0		0.0	
Revenue	FY 2022	FY 2023	FY 2024	FY 2025
General Fund State - 01	\$0	\$0	\$0	\$0
Total Revenue	\$0	\$0	\$0	\$0
Biennial Totals	\$0		\$0	
Object of Expenditure	FY 2022	FY 2023	FY 2024	FY 2025
Obj. N	\$0	\$16,000,000	\$0	\$0

Package Description

What is the problem, opportunity, or priority you are addressing with the request?

Safety Net funding is provided for high-need individual students, and for local education agencies serving more than 13.5% of their resident student enrollment through a valid

Individualized Education Program (IEP). OSPI received more requests for Safety Net funding than anticipated during the 2022 supplemental budget process.

What is your proposed solution?

This request is for additional state funds to reconcile OSPI's current appropriation level for Safety Net with the actual cost of Safety Net applications funded for the 2021–22 school year.

What are you purchasing and how does it solve the problem?

This funding provides reimbursement for allowable expenditures as identified by local education agencies and reviewed and approved by the OSPI-led Safety Net Committee.

What alternatives did you explore and why was this option chosen?

The provision of Free and Appropriate Public Education (FAPE) is a federal requirement that has been funded through the Safety Net appropriation and process since 1995. Due to the history of the Safety Net being funded to ensure equitable opportunity to a basic education, OSPI did not consider other alternatives.

Performance Measures

Performance outcomes:

Safety Net provides reimbursement to local education agencies for the extraordinary costs expended to provide special education services to students with disabilities. These services are required per the IEPs of students with disabilities to ensure the provision of a free, appropriate public education leading to high school graduations and improved post-secondary outcomes.

Assumptions and Calculations

Expansion or alteration of a current program or service:

These funds ensure that services identified in a student's IEP are paid for by the state. It does not represent an expansion of the program of education for students with disabilities.

Detailed assumptions and calculations:

Prior to the 2022 Legislative Session, projected Safety Net costs were projected as follows:

Individual High-Cost Students

<i>Awarded Applications</i>	3,453
<i>Average Award</i>	\$29,099
<i>Estimated Cost</i>	\$100,478,847

Community Impact

<i>Estimated Cost</i>	\$5,500,000
<i>Total Estimated Cost</i>	\$105,978,847
<i>Less Federal Revenue</i>	\$14,787,000
<i>Estimated State Funds</i>	\$91,191,847

Actual Safety Net costs as submitted by local education entities and reviewed and approved by the Safety Net Committee are as follows:

Individual High-Cost Students

<i>Awarded Applications</i>	3,862
<i>Average Award</i>	\$29,937
<i>Estimated Cost</i>	\$115,617,132

Community Impact

<i>Estimated Cost</i>	\$6,286,752
<i>Total Estimated Cost</i>	\$121,903,884
<i>Less Federal Revenue</i>	\$14,787,000
<i>Estimated State Funds</i>	\$107,116,884 (paid in August 2023 apportionment)

Based on these calculations, the needed additional investment for Safety Net for state fiscal year 2023 is \$107,116,884 less \$91,191,847, or approximately \$16,000,000.

Workforce assumptions:

None

How is your proposal impacting equity in the state?

Providing necessary funding for the provision of a Free and Appropriate Public Education (FAPE) promotes equity by ensuring opportunities for success for students with disabilities.

Strategic and Performance Outcomes

Strategic framework:

This request supports the Results Washington K–12 goals related to student success as well as OSPI’s commitment to equity and priority for closing opportunity gaps for students with disabilities.

Other Collateral Connections

Intergovernmental:

This request will provide funds to reimburse school districts, state-tribal education compact schools, and charter schools for extraordinary special education costs.

Stakeholder response:

Washington Association of School Administrators (WASA), parents and guardians of children with disabilities, and non-profits and special education advocacy groups support this request, among many other education partners.

Legal or administrative mandates:

None

Changes from current law:

None

State workforce impacts:

None

State facilities impacts:

None

Puget Sound recovery:

N/A

Other Documents

Reference documents:

None