

Multiple Agency Fiscal Note Summary

Bill Number: 5315 E 2S SB	Title: Special education/nonpublic
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	16,000	0	0	13,000	0	0	16,000
Total \$	0	0	16,000	0	0	13,000	0	0	16,000

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	No fiscal impact					
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
Office of Attorney General	.1	0	0	16,000	.0	0	0	13,000	.1	0	0	16,000
Superintendent of Public Instruction	3.0	1,576,000	1,576,000	1,576,000	2.4	1,226,000	1,226,000	1,226,000	2.4	1,226,000	1,226,000	1,226,000
Total \$	3.1	1,576,000	1,576,000	1,592,000	2.4	1,226,000	1,226,000	1,239,000	2.5	1,226,000	1,226,000	1,242,000

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	No fiscal impact								
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
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
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	No fiscal impact								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Final 4/ 4/2023
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Individual State Agency Fiscal Note

Bill Number: 5315 E 2S SB	Title: Special education/nonpublic	Agency: 100-Office of Attorney General
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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
Legal Services Revolving Account-State 405-1	8,000	8,000	16,000	13,000	16,000
Total \$	8,000	8,000	16,000	13,000	16,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.0	0.1
Account					
Legal Services Revolving Account-State 405-1	8,000	8,000	16,000	13,000	16,000
Total \$	8,000	8,000	16,000	13,000	16,000

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: Megan Wargacki	Phone: 360-786-7194	Date: 03/10/2023
Agency Preparation: Chad Standifer	Phone: 3605863650	Date: 03/28/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 03/28/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 03/29/2023

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.

Bill Summary

Section 1: Amending RCW 28A.155.090. Requiring the Office of the Superintendent of Public Instruction (OSPI) to establish standards for approving nonpublic agencies that contract with school districts to provide special education programs for students with disabilities.

Section 2: Amending RCW 28A.155.060. Defining a “nonpublic agency”. Requiring OSPI to create an application process to approve nonpublic agencies that contract with school districts to provide special education services to students with disabilities, and specifying the approval criteria. Requiring OSPI to conduct on-site visits of nonpublic agencies prior to approving an application. Authorizing OSPI to suspend, revoke, or refuse to renew its approval of an application, under certain conditions. Requiring school districts that contract with approved nonpublic agencies to develop a written contract and specifying the contract elements. Requiring school districts to conduct annual on-site visits of nonpublic agency facilities. Clarifying that school districts remain responsible for student education as specified in the section.

Section 3: Amending RCW 28A.155.210. Requiring a student’s individualized education program to specify procedures required to ensure nonpublic agency compliance with RCW 28A.600.485.

Section 4: Amending RCW 28A.600.485, adding a definition of “school” to mean a public school or a nonpublic agency that contracts with a school district as authorized by RCW 28A.150.010. Authorizing OSPI to use the data described in the section to determine a nonpublic agency’s compliance with the obligations and standards set forth in RCW 28A.155.060.

Section 5: New Section. Requiring OSPI to submit an annual report to the education committees of the legislature regarding student placements at nonpublic agencies, beginning December 1, 2023, and specifying the report’s requirement.

Section 6: Amending RCW 28A.310.515. Authorizing classroom training for nonpublic agencies located in Washington that contract with school districts.

Section 7: Emergency clause providing for immediate effective date.

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.

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is the Office of Superintendent of Public Instruction (OSPI). The Attorney General’s Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO’s authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency’s fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

OSPI will be billed non-Seattle rates:

FY 2024: \$8,000 for 0.03 Assistant Attorney General FTE (AAG), and 0.02 Legal Assistant 3 FTE (LA).
 FY 2025: \$8,000 for 0.03 AAG, and 0.02 LA.
 FY 2026: \$5,000 for 0.02 AAG, 0.01 LA.
 FY 2027, and each FY thereafter: \$8,000 for 0.03 AAG, and 0.02 LA.

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.

Attorney General’s Office (AGO) Agency Assumptions:

This bill has an emergency clause and is assumed to be effective immediately.

Location of staffing is assumed to be in a non-Seattle office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 (MA), is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of an MA.

Assumptions for the AGO Education Division’s (EDU) Legal Services for the Office of Superintendent of Public Instruction (OSPI).

The AGO will bill OSPI for legal services based on the enactment of this bill.

The enactment of this bill will marginally impact the provision of legal services to OSPI. The enactment of this bill will likely result in fiscal impact to OSPI. Legal work will be required initially to support OSPI in the initial implementation of the bill, and it is expected to increase again once oversight and potential suspension, revocation, or renewal action is taken, since it will likely require an American Psychological Association (APA) complaint hearing. It is assumed that AAG advice will be sought during such an investigation and that an AAG would be representing OSPI in a hearing. Assumption is for one hearing per year starting in 2027 that lasts one or two days.

EDU total non-Seattle impact:

FY 2024: \$8,000 for 0.03 AAG, and 0.02. LA.
 FY 2025: \$8,000 for 0.03 AAG, and 0.02 LA.
 FY 2026: \$5,000 for 0.02 AAG, and 0.01 LA.
 FY 2027, and each FY thereafter: \$8,000 for 0.03 AAG, and 0.02 LA.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services	State	8,000	8,000	16,000	13,000	16,000
	Revolving Account						
Total \$			8,000	8,000	16,000	13,000	16,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.0	0.1
A-Salaries and Wages	5,000	5,000	10,000	8,000	10,000
B-Employee Benefits	2,000	2,000	4,000	3,000	4,000
E-Goods and Other Services	1,000	1,000	2,000	2,000	2,000
Total \$	8,000	8,000	16,000	13,000	16,000

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
Assistant Attorney General	118,700	0.0	0.0	0.0	0.0	0.0
Legal Assistant 3	55,872	0.0	0.0	0.0	0.0	0.0
Total FTEs		0.1	0.1	0.1	0.1	0.1

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Education Division (EDU)	8,000	8,000	16,000	13,000	16,000
Total \$	8,000	8,000	16,000	13,000	16,000

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

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: 5315 E 2S 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	3.7	2.4	3.0	2.4	2.4
Account					
General Fund-State 001-1	963,000	613,000	1,576,000	1,226,000	1,226,000
Total \$	963,000	613,000	1,576,000	1,226,000	1,226,000

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: Megan Wargacki	Phone: 360-786-7194	Date: 03/10/2023
Agency Preparation: Tisha Kuhn	Phone: 360 725-6424	Date: 04/03/2023
Agency Approval: Michelle Matakas	Phone: 360 725-6019	Date: 04/03/2023
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 04/04/2023

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 E2SSB 5315 Compared to 2SSB 5315:

Section 2

(2)(b)(vii) One of the criteria that a nonpublic agency must meet to be approved is removed. It requires a nonpublic agency to meet the state education requirements for hours and days of instruction.

(3)(c)(iv) School districts are now responsible for ensuring that a student being served by a nonpublic agency is provided at least the minimum instructional hours and days required under RCW 28A.150.220.

Summary of E2SSB 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 any 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)(a) OSPI must create an application process to approve nonpublic agencies that contract with districts to provide special education services. Nonpublic agency schools may be approved for a period of up to five years. All other nonpublic agencies may be approved up to three years.

(2)(b) To qualify for approval, a nonpublic agency must meet the following minimum requirements:

- i. Acknowledge that it can meet all contract elements established in subsection (3)(a).
- ii. Obtain approval by the State Board of Education and comply with facility licensing requirements.
- iii. Employ or contract with at least one certificated teacher with a special education endorsement, other certificated teachers who meet state standards, and related services staff that meet the state licensing requirements for their profession.
- iv. Meet applicable fire codes
- v. Demonstrate financial stability and accounting systems that allow for separation of school district funds.
- vi. Demonstrate hiring and evaluation processes that include personal and professional reference checks, criminal background checks, and regular staff evaluations
- vii. Maintain nondiscrimination policies

(2)(c) Prior to application approval, OSPI must conduct an on-site visit to ensure that the facility, staff levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment.

(2)(d) OSPI may suspend, revoke, or refuse to renew its approval of a nonpublic agency based on the criteria in this subsection.

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

(2)(f) OSPI must develop a complaint process for individuals to report noncompliance or violations of student rights at nonpublic agencies and post this on its website.

(3)(a) A district that chooses to contract with an approved nonpublic agency must develop a written contract to establish the responsibilities of each party and contain the minimum standards identified in this subsection.

(3)(b) A district must conduct an annual on-site visit to ensure facilities, staffing levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment.

(3)(c) A district remains responsible for ensuring that the student being served is:

- i. provided a free appropriate public education
- ii. Provided with special education services at no cost to the family and in conformance with an IEP as required by law.
- iii. Provided an opportunity to participate in state and district assessments and an opportunity to fulfill the requirements to receive a Washington State diploma.
- iv. Provide at least the minimum instructional hours and days required under RCW 28A.150.220,

(3)(d) A district must provide the following documents to the parents or guardians of the student being served by the nonpublic agency:

- i. A summary of the district and nonpublic agency's responsibilities and processes for reporting incidents of isolation and restraint.
- ii. A copy of the complaint procedure in subsection (2)(f) of this section.

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 Expenditure Impact:

OSPI will require 1.25 FTE, Program Supervisor, to accomplish the work identified Section 1(6), Sections 2(2)(a), (b), (d), (e), and (f) and Section 5. The cost is \$204,000 in FY24 and \$190,000 annually thereafter.

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)(a) & (b) require OSPI to create an application process to approve nonpublic agencies that contract with districts to provide special education services. These subsections identify the requirements and responsibilities of OSPI, districts that choose to enter into such contracts, and the nonpublic agencies. Much of this language is in current WAC 392-172A-04095. Because OSPI does much of this work already, the current process would only need modification to meet the requirements of this bill. OSPI estimates 40 hours of a Program Supervisor's time to accomplish this modification

(2)(c) Prior to application approval, OSPI must conduct an on-site visit to ensure that the facility, staff levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment. OSPI estimates 50 out-of-state site visits per year and 40 in-state. This would require a 1.0 FTE Program Supervisor to accomplish this work at a cost of \$163,000 in FY24 and \$152,000 annually thereafter. Additional funding to cover this level of travel would be required. OSPI estimates \$167,000 annually.

(2)(d) OSPI may suspend, revoke, or refuse to renew its approval of a nonpublic agency based on the criteria in this subsection. Staff time for this work is incorporated above.

(2)(e) OSPI must notify the State Board of Education if any nonpublic agency school is investigated for noncompliance, is directed to complete corrective action, or fails to maintain approval under this section. Staff time for this work is incorporated above.

(2)(f) OSPI must develop a complaint process for individuals to report noncompliance or violations of student rights at nonpublic agencies and post this on its website. Staff time for this work is incorporated above.

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. Staff time for this work is incorporated above.

Development of the system would cost an estimated \$168,000 in FY24 based on costs to develop similar applications. An additional \$78,000 annually would be required for enhancements/maintenance beginning in FY25. 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, \$19,000

SBE Expenditure Impact:

To implement Section 2 of the bill, the State Board of Education (SBE) would follow up on notifications from the Office of Superintendent of Public Instruction (OSPI). SBE assumes that one school will need compliance follow-up (including rescission proceedings) per biennium, based on the number of complaints requiring such follow-up per biennium for all approved private schools. SBE assumes such follow-up will involve about 60 hours per year of assistant attorney general effort. SBE further assumes that any bill-related increase in the number of private school approvals SBE processes each year would be insignificant enough for SBE to absorb.

Specifically, SBE would follow-up with schools reported by OSPI as noncompliant if the compliance issue may impact their private school operations. This follow-up includes:

- a. Communication with the school to investigate and clarify issues that may affect the school’s private school approval status.
- b. Possible rescission of private school approval as described in WAC 180-90-141 to -144.

Beginning in fiscal year 2024 and each subsequent fiscal year, this would require the following:

SBE Staffing:

- 0.07 FTE Program Manager
 - 0.04 FTE Program Director
- Total cost: \$14,000 per fiscal year

AGO Services:

SBE estimates services charged by the Office of the Attorney General (AGO) for agency administration support in implementing the requirements of section 2 to include 60 hours of an Assistant Attorney General. Total cost: \$8,000 per fiscal year.

Contract Support:

SBE estimates a need for contracted support of 40 hours of a Hearing Officer’s time and effort to support the implementation requirements of section 2. Total cost: \$4,000 per fiscal year.

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	963,000	613,000	1,576,000	1,226,000	1,226,000
Total \$			963,000	613,000	1,576,000	1,226,000	1,226,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	3.7	2.4	3.0	2.4	2.4
A-Salaries and Wages	346,000	213,000	559,000	426,000	426,000
B-Employee Benefits	180,000	110,000	290,000	220,000	220,000
C-Professional Service Contracts	173,000	83,000	256,000	166,000	166,000
E-Goods and Other Services	34,000	25,000	59,000	50,000	50,000
G-Travel	190,000	182,000	372,000	364,000	364,000
J-Capital Outlays	40,000		40,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	963,000	613,000	1,576,000	1,226,000	1,226,000

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	2.3	2.3	2.3	2.3	2.3
SBE Program Director	116,000	0.0	0.0	0.0	0.0	0.0
SBE Program Manager	71,000	0.1	0.1	0.1	0.1	0.1
Technical Coordinator	103,000	0.6		0.3		
Total FTEs		3.7	2.4	3.0	2.4	2.4

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.

Individual State Agency Fiscal Note

Bill Number: 5315 E 2S SB	Title: Special education/nonpublic	Agency: SDF-School District Fiscal Note - SPI
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Megan Wargacki	Phone: 360-786-7194	Date: 03/10/2023
Agency Preparation: Jami Marcott	Phone: (360) 725-6230	Date: 04/03/2023
Agency Approval: Michelle Matakas	Phone: 360 725-6019	Date: 04/03/2023
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 04/04/2023

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 E2SSB 5315 Compared to 2SSB 5315:

Section 2

(2)(b)(vii) One of the criteria that a nonpublic agency must meet to be approved is removed. It requires a nonpublic agency to meet the state education requirements for hours and days of instruction.

(3)(c)(iv) School districts are now responsible for ensuring that a student being served by a nonpublic agency is provided at least the minimum instructional hours and days required under RCW 28A.150.220.

Summary of E2SSB 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 any 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) (a) OSPI must create an application process to approve nonpublic agencies that contract with districts to provide special education services. Nonpublic agency schools may be approved for a period of up to five years. All other nonpublic agencies may be approved up to three years.

(2)(b) To qualify for approval, a nonpublic agency must meet the following minimum requirements:

(i) Acknowledge that it can meet all contract elements established in subsection (3)(a).

(ii) Obtain approval by the State Board of Education and comply with facility licensing requirements.

(iii) Employ or contract with at least one certificated teacher with a special education endorsement, other certificated teachers who meet state standards, and related services staff that meet the state licensing requirements for their profession.

(iv) Meet applicable fire codes

(v) Demonstrate financial stability and accounting systems that allow for separation of school district funds.

(vi) Demonstrate hiring and evaluation processes that include personal and professional reference checks, criminal background checks, and regular staff evaluations

(vii) Maintain nondiscrimination policies

(2)(c) Prior to application approval, OSPI must conduct an on-site visit to ensure that the facility, staff levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment.

(2)(d) OSPI may suspend, revoke, or refuse to renew its approval of a nonpublic agency based on the criteria in this subsection.

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

(2)(f) OSPI must develop a complaint process for individuals to report noncompliance or violations of student rights at nonpublic agencies and post this on its website.

(3) (a) A district that chooses to contract with an approved nonpublic agency must develop a written contract to establish the responsibilities of each party and contain the minimum standards identified in this subsection.

(3)(b) A district must conduct an annual on-site visit to ensure facilities, staffing levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment.

(3)(c) A district remains responsible for ensuring that the student being served is:

(i) provided a free appropriate public education

(ii) Provided with special education services at no cost to the family and in conformance with an IEP as required by law.

(iii) Provided an opportunity to participate in state and district assessments and an opportunity to fulfill the requirements to receive a Washington State diploma.

(iv) Provide at least the minimum instructional hours and days required under RCW 28A.150.220,

(3)(d) A district must provide the following documents to the parents or guardians of the student being served by the nonpublic agency:

(i) A summary of the district and nonpublic agency's responsibilities and processes for reporting incidents of isolation and restraint.

(ii) A copy of the complaint procedure in subsection (2)(f) of this section.

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.

Nothing in this bill requires school districts to contract with nonpublic agencies or nonpublic agency schools to accomplish this work, therefore there is no required cost to school districts to implement this bill.

Should districts choose to hire nonpublic agencies or nonpublic agency schools, they may incur costs surrounding data collection identified in Section 2. These districts would be required to conduct annual site visits per Section 2(3). OSPI assumes these districts would have staff costs to manage contracts with the chosen nonpublic agencies. Districts that currently hire nonpublic agencies already have staff doing this work therefore it would be no impact to those districts.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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 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.