



Maintaining the Special Education Safety Net 2021–23 Biennial Operating Budget Decision Package (DP)

Agency/Program Recommendation Summary

Safety Net funding is available to local education agencies who demonstrate a need for additional special education funding. The number and cost of Safety Net applications continues to rise, and the impacts of the COVID-19 pandemic have further increased demand. Safety Net funding typically increases each year by approximately 10%. In order to properly fund Safety Net, the state would need an additional \$34,251,000 in fiscal year 2022 and \$55,767,000 in fiscal year 2023.

Package Description

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

The number of safety net applications and average cost of applications increases each year, and the impacts of COVID-19 have added to that cost and demand.

What is your proposed solution?

OSPI proposes the state increase Safety Net funding for fiscal years (FY) 2022 and 2023. This is based on a 19% increase in the number of high need individual applications and an increase of 10% for the average cost of each high need application for FY22 and FY23. Projected increases are shown in the bottom half of Table 1 in the attached spreadsheet. The emergence of COVID-19 has contributed to the increase in the projected demand for Safety Net services.

Table 2 illustrates the projected total high need and community impact award amounts for FY22 are shown in the bottom half of Table 2, Column e. Projected high need awards were calculated by multiplying the projected number of high need applications in Table 1 by the projected average award amount in Table 1 and adding projected community impact applications. There will be impacts on the costs of services due to COVID-19, but the extent of that impact is still unknown.

Table 3 shows projected new state funding needed for high need and community impact awards for fiscal years 2022 and 2023. Federal funding as well as state maintenance funding have been deducted to show net new funding needed in row k and biennial in row l.

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

Safety Net funding is made available to local education agencies (LEAs) with a demonstrated capacity for special education funding in excess of state and federal funding otherwise available to the LEA.

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

In 1995, the Legislature revised the state special education funding formula and developed a Safety Net process to assist school districts in the areas of community impact and costs for services. The Legislature set up specific criteria and a process at the regional level, and then at the state level. LEAs submitting applications must demonstrate that it operates an efficient special education program, Individualized Education Programs (IEPs) are properly formulated, and is making an effort to provide the special education program using the funds generated by the formula. Safety Net funds are not an entitlement.

Performance Measures

Performance outcomes:

Safety Net requests that meet application requirements for high needs and/or community impact are awarded to LEAs demonstrating above-average needs.

Fiscal Details (Funding, FTEs, Revenue, Objects)

Operating Expenditures	FY 2022	FY 2023	FY 2024	FY 2025
Fund 001-1	34,251,000	55,767,000	55,767,000	55,767,000
Total Expenditures	34,251,000	55,767,000	55,767,000	55,767,000
Biennial Totals	90,018,000		111,534,000	
Staffing	FY 2022	FY 2023	FY 2024	FY 2025
FTEs	0	0	0	0
Average Annual	0		0	
Revenue	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenue	0	0	0	0
Biennial Totals	0		0	
Object of Expenditure	FY 2022	FY 2023	FY 2024	FY 2025
Obj. N	34,251,000	55,767,000	55,767,000	55,767,000

Assumptions and Calculations

Expansion or alteration of a current program or service:

N/A

Detailed assumptions and calculations:

Safety Net application requests are expected to increase due to the adjusted costs threshold, expressed interest by tribal compact schools, developing relationships with new charter schools, and added costs due to COVID-19.

Workforce assumptions:

N/A

How is your proposal impacting equity in the state?

This proposal impacts equity by helping to ensure special services for students who need them are being paid for.

Strategic and Performance Outcomes

Strategic framework:

Supplementing Safety Net funding will help ensure all students receiving special education services, including those whose services are high cost, receive their free and appropriate public education (FAPE). It will reduce the burden on overextended LEAs to cover the cost of expensive services and out-of-district placements that are not fully covered by the basic education apportionment rate, state special education funds, and IDEA dollars.

This package relates to Goal 1 of the Governor’s Results Washington—World-Class Education and Superintendent Reykdal’s top priorities. Increased Safety Net funding is an increase to basic education. It will improve academic achievement, close opportunity gaps, and increase pathways to graduation. Safety Net funding may be used for services provided to eligible students ages 3–5 and eligible students with disabilities ages high school through age 21 and increases their opportunity for improved post-school outcomes.

Other Collateral Connections

Intergovernmental:

N/A

Stakeholder response:

N/A

Legal or administrative mandates:

N/A

Changes from current law:

N/A

State workforce impacts:

N/A

State facilities impacts:

N/A

Puget Sound recovery:

N/A

Other Documents

Reference documents:

N/A

Information technology (IT) addendum:

Does this decision package include funding for any IT-related costs, including hardware, software (including cloud-based services), contracts, or IT staff?

No

Yes