

Date of Hearing: March 13, 2019

ASSEMBLY COMMITTEE ON EDUCATION  
Patrick O'Donnell, Chair  
AB 428 (Medina) – As Introduced February 7, 2019

**SUBJECT:** Special education funding

**SUMMARY:** Requires that special education funding rates be equalized to the 95<sup>th</sup> percentile after the Local Control Funding Formula (LCFF) is fully funded, creates a funding mechanism for state support of special education preschool, establishes a high cost service allowance to provide supplemental funding on the basis of the number of students with severe disabilities, and changes the calculation of the declining enrollment adjustment that it is based on school district, rather than Special Education Local Plan Area (SELPA), enrollment. Specifically, **this bill:**

- 1) States the intent of the Legislature that the requirements of the act be implemented over the course of five years.
- 2) Requires that, in the first fiscal year following the full funding of the LCFF, the Superintendent of Public Instruction (SPI) compute an equalization adjustment for each SELPA, and sets the target equalization rate at 95<sup>th</sup> percentile of statewide funding rates.
- 3) Specifies the method for calculating this equalization adjustment as follows:
  - a) Multiply the amount computed for each SELPA by the average daily attendance (ADA) used to calculate its funding for the year in which an appropriation is made for equalization.
  - b) Divide the amount appropriated for purposes an equalization adjustment by the statewide sum of the amount computed above.
  - c) Multiply the amount computed for the SELPA by the amount computed above.
- 4) Requires the SPI, in each year following an equalization adjustment, to perform the following computations to determine the statewide target amount per unit of ADA in order to determine the inflation adjustment and growth adjustment:
  - a) Total the amount of funding computed for each SELPA
  - b) Total the number of units of ADA reported for each SELPA for the fiscal year preceding the equalization appropriation
  - c) Divide the total funding by the total ADA
- 5) Establishes a funding mechanism for providing funding for preschool-age students in the AB 602 formula, by requiring that, for the purpose of providing funding for preschool-aged children with special needs, commencing with the first fiscal year after the full funding of LCFF, a SELPA that reports serving children three or four years of age who meet the definition in Section 56026, except for a special education local plan area that, as of

December 1, 2018, reported exclusively serving children three or four years of age in transitional kindergarten or kindergarten, for purposes of calculating units of ADA, the SELPA count three times all units of ADA generated by children enrolled in kindergarten, less those children eligible for transitional kindergarten.

- 6) Requires that any growth in ADA generated by the preschool adjustment be funded at the prevailing statewide target rate.
- 7) Establishes a high cost service allowance for the purpose of providing supplemental funding to a SELPA on the basis of the number of pupils with severe disabilities, defined as autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, severe intellectual disability, both deafness and blindness, traumatic brain injury, and multiple disabilities.
- 8) For the 2019-20 fiscal year, requires the SPI to make the following computations to determine the high cost service allowance for each SELPA:
  - a) From the December 2018 pupil count, the number of pupils who have a severe disability, defined as: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, severe intellectual disability, and those individuals who would have been eligible for enrollment in a development center for handicapped pupils, plus both deafness and blindness, traumatic brain injury, or multiple disabilities.
  - b) Multiply this amount by the statewide target amount per unit of ADA for the 2019–20 fiscal year.
- 9) Requires the SPI, for the 2020-21 fiscal year and each fiscal year thereafter, to make the same adjustment as required for the prior year, using a pupil count from December of the prior year of students who have a severe disability, as defined above.
- 10) Changes the definition of ADA for the purpose of calculating growth funding, to mean the total number of units of ADA of the districts or county offices which make up the SELPA, for the current or prior school year, whichever is greater, thereby allowing declining enrollment adjustments to be made on the basis of changes in district, rather than SELPA enrollment.

**EXISTING LAW:**

- 1) Establishes, commencing with the 1998-99 fiscal year, a “census based” funding system for the allocation of state special education funds, providing most funding appropriated for support of special education programs on the basis of the ADA of special education students enrolled in the prior year, multiplied by a funding rate unique to each SELPA. (EC 56836)
- 2) Establishes a calculation for determining a statewide target rate of funding used for the purpose of calculating the funding rate of ADA growth in each SELPA. (EC 56836.11)
- 3) Requires, in specified fiscal years, equalization adjustments to be made to increase the funding rates of SELPAs with rates below the 90<sup>th</sup> percentile.

- 4) Establishes an extraordinary cost pool for the extraordinary costs associated with single placements in nonpublic, nonsectarian schools. (EC 56836.21)
- 5) Establishes a low incidence disability fund for costs associated with the education of students who are visually impaired, hearing impaired, and severely orthopedically impaired, and any combination thereof. (EC 56838.22)
- 6) Requires, through state and federal law, that children with exceptional needs between the ages of three and five be provided with a free and appropriate education. (EC 56026)

**FISCAL EFFECT:** Unknown

**COMMENTS:**

*Need for the bill.* The author states, “For decades the state has underinvested in its special education system, allowing unequal rates to disadvantage students in some regions for no reason, providing disincentives to invest early in the education of our students - when the return is greatest - and failing to provide additional resources to support students who require a higher level of service to succeed.

Multiple reports over the years have argued for targeted investments to fix our special education finance system and better support our special education students. One such report, the 2015 report of the California Special Education Task Force (convened by the State Board of Education, the Superintendent of Public Instruction, and the Commission on Teacher Credentialing) set out a goal of one coherent system that serves all students, with a vision that special education students would be viewed as general education students first. The Task Force report acknowledged the significant special education fiscal challenges faced by schools and recommended a number of steps to improve the system and student outcomes. This bill addresses several of their recommendations.

AB 428 would equalize base AB 602 funding rates to the 95<sup>th</sup> percentile, establish a funding formula within AB 602 for programs serving preschoolers with disabilities, create a high cost service allowance to provide additional funding for students with significant high-cost disabilities, allow school districts to calculate a declining enrollment adjustment based on individual school district ADA (ADA) instead of aggregated SELPA ADA.

In these ways AB 428 would remedy several long standing deficiencies in our special education finance system, providing resources to help our students with disabilities reach their full potential.”

*Recent reports and Governor’s Budget Statement.* This analysis cites the following recent reports and recommendations frequently:

- Special Education Task Force (Task Force) report. In 2015, the Statewide Task Force of Special Education, convened the State Board of Education, the Superintendent of Public Instruction, and the Commission on Teacher Credentialing, issued a comprehensive report titled “One System: Reforming Education to Serve ALL Students.” This report made a number of recommendations regarding special education finance.

- Legislative Analyst's Office (LAO) analysis. The LAO has for several years recommended that funding be appropriated to equalize special education funding rates. The LAO also provides much of the background information about special education finance which informs this analysis.
- Public Policy Institute of California (PPIC) report. In 2016 the Public Policy Institute of California issued a report titled, "Special Education Finance in California," which analyzed California's special education finance system in light of the principles that underlie the Local Control Funding Formula (LCFF): local control and accountability, transparency, and equity. In 2009, PPIC also released a report which looked broadly at special education finance ten years after the enactment of AB 602.
- Governor's Budget Statement. In his 2017-18 Governor's Budget Summary the Governor committed to engaging in stakeholder meetings throughout the spring budget process to solicit feedback on the current special education finance system. He stated that central to these discussions would be principles which are consistent with the LCFF and apply to all students, including students with disabilities. He stated that school funding mechanisms should be equitable, transparent, easy to understand, focused on the needs of students, and that general purpose funding should cover the full range of costs to educate all students.

***Special education in California.*** Federal law, the federal Individuals with Disabilities Education Act (IDEA), and corresponding state law requires that students with exceptional needs aged birth to 22 be provided a free and appropriate public education in the least restrictive environment. IDEA was established in 1975 and was most recently reauthorized in 2004.

According to the CDE, in 2016 there were 754,000 children aged birth to 22 who were identified as having exceptional needs. 680,000 of these children were enrolled in grades K-12, representing roughly 11% of K-12 enrollment.

The most common disabilities among students are specific learning disabilities, speech and language impairments, and other health impairments, which together constituted about 73% of all students with exceptional needs in 2015. While the prevalence of students with Autism Spectrum Disability (ASD) is relatively rare (affecting about 1.5 percent of California students), the number of students diagnosed with ASD has increased notably over the last decade, from 2% of all disabilities in 2002 to 13% in 2015 (see chart below).

Viewed as a whole, there is a significant achievement gap between students with disabilities and their peers. The LAO notes that while performance on standardized tests (including those specifically designed for students with disabilities) has improved over the past several years, a majority of students with disabilities still fail to meet state and federal achievement expectations, and that 60 percent of these students graduate on time with a high school diploma and about two-thirds are engaged productively after high school (with about half enrolled in an institute of higher education and 15 percent competitively employed within one year after high school).

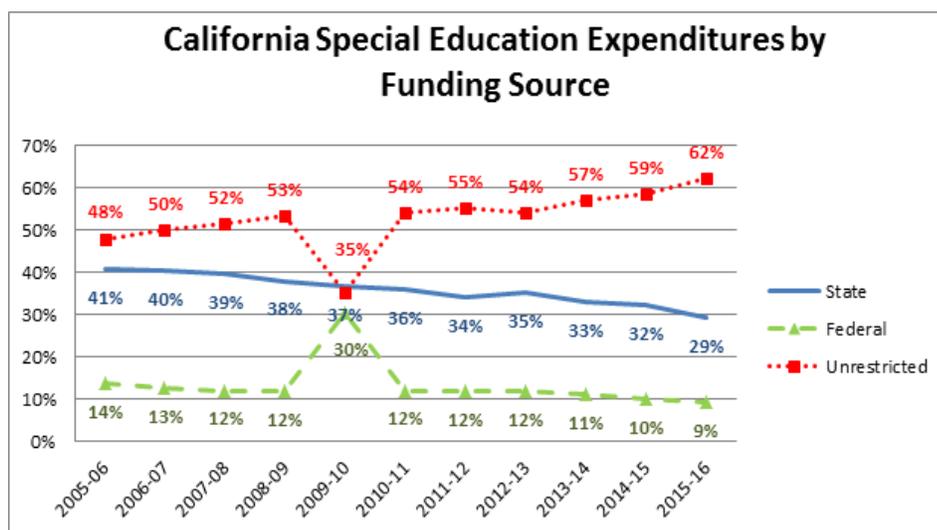
***Special education finance in California.*** Special education in California is funded with a combination of federal, state, and local revenues, totaling \$13.2 billion in 2015-16. In 2015-16 local general purpose funds covered the largest share of these costs (\$8.2 billion, or 62 percent), followed by state special education categorical funds (\$3.8 billion, or 43 percent), combined with federal special education funds (\$1.2 billion, or 9 percent).

State law requires that funding be allocated to Special Education Local Plan Areas (SELPAs), which are either a collection of local educational agencies (LEAs), single school districts, or a collection of charter schools. The SELPAs develop allocation plans and disburse funding to LEAs to serve students.

About 85% of state special education funding is provided as categorical funds known as “AB 602” (Chapter 854, Statutes of 1997). This allocation method provides funding using a census-based method that allocates special education funds to SELPAs based on the total number of students attending school within the area. AB 602 was based on the assumption that students with disabilities are fairly equally distributed in the student population. The intent of AB 602 funding was to remove fiscal incentives to over-identify students with disabilities that existed under the prior J-50 model. AB 602 also included a “special disabilities adjustment” which accounted for variation in the enrollment of students with more severe disabilities. This adjustment was eliminated in 2011-12, and at the time totaled \$74 million.

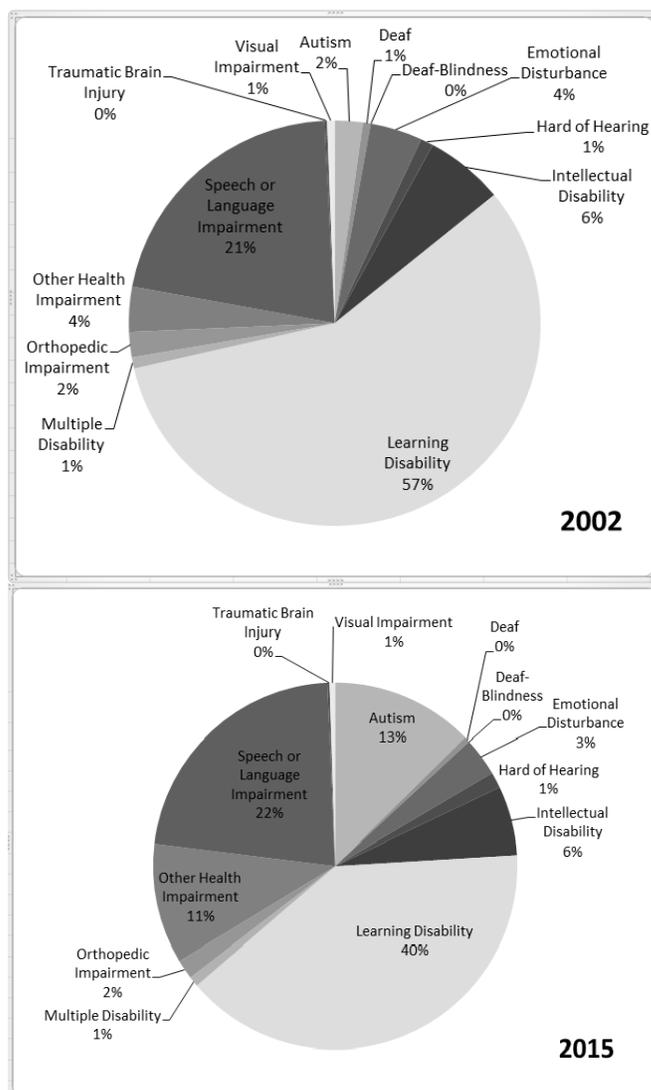
**Local funds covering an increasing share of special education costs.** In recent years local general fund dollars have been covering an increasing share of special education costs.

As shown in the adjacent chart, provided by the LAO, in the last ten years the local share of special education funding has increased from 48% to 62%. This is a result of a number of factors:



- As discussed below, the growth formula for AB 602 is based on overall student growth and not on growth in special education, and overall student growth has been flat while special education enrollment has increased significantly. The result has been a flat level of state funding for a growing student population.
- Federal special education funding has declined since 2013-14 due to sequestration and any adjustments have not kept pace with increasing costs. As noted above, the federal share of cost has declined from 14% in 2005-06 to 9% in 2015-16.
- Two compensation-related factors contribute to this increased local share: 1) since special education personnel are paid on the same salary schedules as general education personnel, any negotiated increases in compensation raise special education costs, and 2) in recent years the state has required LEAs to provide an increased share of contributions to the state teachers’ retirement system (CalSTRS).

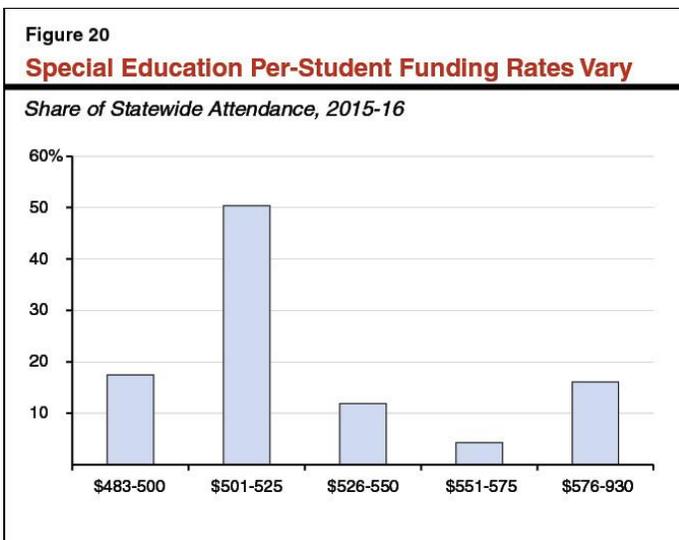
- There has been a marked increase in special education placements which require a higher level of service (such as ASD), and a decline in placements requiring a lower level of service (such as Specific Learning Disability).
- Dedicated funding for higher cost placements, already small in proportion to overall funding, has either declined or remained flat, depending upon the source.
- Districts with a large number of fiscally independent charter schools which enroll less than a proportionate share of students with severe disabilities may find that district special education costs increase as their severely disabled students comprise a larger share of their special education enrollment. Data presented to the board of one large school district, for example, show that the district serves three times as many severely disabled students than the charter schools within the district.
- SELPAs report that 1) funding cuts during the recession reduced the provision of early intervention services which reduce the need for later, more costly services, and 2) some programs are providing a higher level of service for the same placements, as understanding of effective practices evolves.



***Inequities in special education funding are a legacy of an informal survey conducted in 1979.***

As shown in the chart provided by the LAO below, AB 602 special education funding rates vary widely across SELPAs, ranging from \$480 to \$925 per unit of ADA in the districts comprising the SELPA. These inequities are a relic of the prior funding system.

From 1980, when the Master Plan for Special Education was enacted, until 1998 when AB 602 was enacted, state special education funding was allocated based on a model known as J-50. Under J-50 the state provided funding in unequal amounts to SELPAs based in part on an informal survey of special education expenditures in 1979–80. According to this Committee’s analysis of AB 602 in 1997, “reporting practices throughout the state were erratic and the reliability and accuracy of the information obtained from them [were] suspect.” In addition, school districts were required to contribute money from their local general fund at the same rate that was reported in 1979-80, and as a result local contributions varied widely.



The J-5- system was based on Instructional Service Personnel Units (IPSUs), which largely represented the cost of teachers. J-50 provided greater levels of funding to SELPAs that identified a larger proportion of students for special education and served students in more expensive settings, which often meant more restrictive placements. This system raised concerns that schools had a fiscal incentive to place students in more restrictive settings, potentially violating students’ rights to an education in the least restrictive environment under federal and state law.

When AB 602 was enacted in 1998, the state determined the new allocations by dividing the prior year funding received by total average daily attendance (ADA), effectively locking in the rate at which SELPAs were funded in that year. In the early years of AB 602, two rounds of equalization funds were allocated. In the 2013-14 budget the Legislature included \$30 million for equalization, but this funding was vetoed.

When AB 602 was enacted in 1998, the

The state funds enrollment growth in special education at a target rate which represents the statewide average (\$530 per student in 2014–15), so that in a low funded SELPA growth is funded at a slightly higher rate per student. However, the LAO notes, statewide attendance has been virtually flat over the last 10 years, so this approach has had little effect on funding inequities. Nearly forty years after the Master Plan for Special Education, and twenty years after AB 602, significant funding disparities remain.

To understand the effect of these differences in rates on expenditures per special education pupil, it may be useful to consider the adjacent table, which was included in the Task Force report.

SELPA	AB 602 Bifurcated 13-14	SELPA Total Prior Year ADA	Special Ed Pupil Count	AB 602 Funding per sped pupil
SELPA A	\$721.52	4,338.23	474	\$6,604
SELPA B	\$492.84	4,372.15	518	\$4,160

**Recommendations for equalization of special education funding rates.** For decades, reports have recommended that the state equalize special education funding rates. Some of the recent recommendations for equalization are shown below:

- For several years the LAO has recommended that the state equalize AB 602 rates to the 90<sup>th</sup> percentile. The LAO notes that since 2013–14 the state has dedicated billions of new dollars toward implementing LCFF which, among other things, equalizes funding rates across districts by allocating based on a “gap” approach, such that districts receive additional funding based on the difference (or gap) between their prior–year funding level and their target LCFF funding level, but that because special education funding was not shifted into LCFF special education funding rates remain unequal.

- In 2015 the Task Force recommended that all SELPAs be funded at a new statewide target rate (90% of the current statewide average), that no SELPA would receive less funding than it did the year prior, and that the amount be adjusted in future years to reflect cost of living adjustments. It also recommended increasing the statewide target to \$665 within five years.
- In 2016, PPIC recommended that the state equalize to the 90th percentile. Alternatively, they recommended equalizing to the 2007 per-ADA rate, the peak year per ADA. Finally, they offered the option of increasing funding to recognize the higher costs generated by rising caseloads relative to ADA and the shift towards more severe disabilities, while equalizing by withholding funding from districts at the top of the distribution.

***This bill's approach to funding special education equalization.*** This bill requires that, for the first full fiscal year after LCFF funding targets have been met, the SPI compute an equalization adjustment for each SELPA, setting the target equalization rate at the 95<sup>th</sup> percentile of statewide funding rates. The Governor's Budget for 2018-19 proposes to fully fund the LCFF targets, and 2019-20 is expected to be the first full year after full funding of LCFF. Equalization to the 95<sup>th</sup> percentile is estimated to cost \$787 million.

***Special education preschool funding.*** State and federal law require LEAs to provide services for preschool-age students with exceptional needs. Dedicated support for costs of providing special education services for preschool age students comes from federal and local funds, but funding is not specifically provided for these students through AB 602. According to the author, LEAs spent approximately \$500 million in 2014-15 for special education preschool services.

Federal funds are provided from two sources: Preschool-Local Assistance and Federal Preschool, totaling \$97 million in 2014-15. State Preschool, which serves students with and without disabilities, was funded at \$884 million in 2015-16. Full day state preschool provides an adjustment factor of 1.2 to the reimbursement rate for children with exceptional needs, with a rate of 1.5 for students with severe disabilities. The 2015 Budget Act added 2,500 part-day preschool slots, with priority for contractors who intended to use them to increase access for children with exceptional needs. Costs not covered by federal and other funds are covered by local funds.

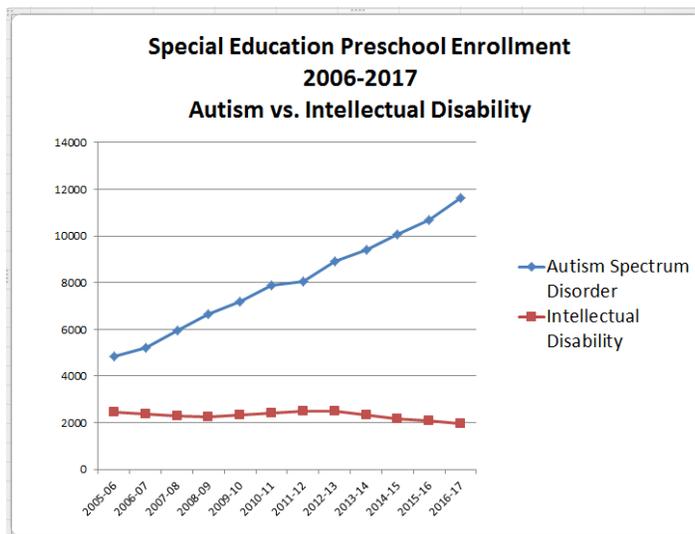
***Special education preschool services as an investment in later school success and in reduced costs.*** The Task Force notes that many children who receive interventions as infants and preschoolers make significant gains and are able to be educated in general education with their peers with little or no special education support as they enter the primary grades. They also note that early intervention efforts in recent years have contributed to reducing the number of preschoolers with milder disabilities who are in need of intensive special education services once they reach the primary grades, and that at the same time, the incidence of preschoolers with more significant disabilities such as ASD, requiring intensive and more costly services, has increased significantly. Finally, the Task Force notes that there is a severe shortage of general education preschool options which would provide these students with services in the least restrictive environment with their typically developing peers.

Writing in support of this bill, the Riverside County Superintendent of Schools notes that "approximately 35% - 40% of children with autism who receive early intervention return to the general education setting. Students with speech and language impairments, students who are

Deaf/Hard of Hearing, or Visually Impaired, or have other low incidence disabilities but receive early intervention, are included in general education settings at much higher percentages.”

***Preschool enrollment increasing rapidly, particularly enrollment of children with Autism Spectrum Disability.*** According to CDE data, in 2005-06 there were 38,563 preschool age students with exceptional needs. In 2015 there were 46,596 such children - an increase of 21% over ten years. The increase in special education enrollment among children of other ages was 7% over the same time period.

Between 2005-06 and 2015-16 the number of preschool age children identified with Autism Spectrum Disability (ASD) increased from 4,845 to 10,688 – an increase of 121%. The next highest increase in that time period was among students identified as having Other Health Impairments, who increased from 1,270 to 1,913, a 51% increase. In 2005-06 children identified with ASD comprised 13% of preschool enrollment; in 2015-16 children with ASD represented nearly 23% of all preschoolers with exceptional needs.



***Recommendations for providing state support for preschool special education.*** Several reports have recommended that the state provide support for preschoolers with exceptional needs:

- The Task Force recommended that an additional \$150 million dollars be provided for preschool children with disabilities, equating to approximately \$3,000 for each preschool identified as needing special education services, with a cap so that funding would not exceed 11% of kindergarten and first grade enrollment. The Task Force also recommended that the state provide additional funds for facility modifications, professional learning opportunities for preschool staff, and increase the availability of slots in least restrictive environments.
- In 2016, PPIC also supported providing state funding for special education preschool, offering the idea of counting preschool attendance toward school and district average daily attendance (ADA). Alternatively they suggested boosting incentives to serve special education children by increasing the supplemental funding state preschool programs receive for special education students. They noted that one problem with this proposal is that districts in more affluent areas do not operate state preschool programs, but suggested that this option might reduce the emphasis on separate classes for special education preschool students.

***This bill’s approach to providing state support for preschool special education.*** This bill provides funding for special education preschool by adding an estimate of preschool ADA to the AB 602 funding formula.

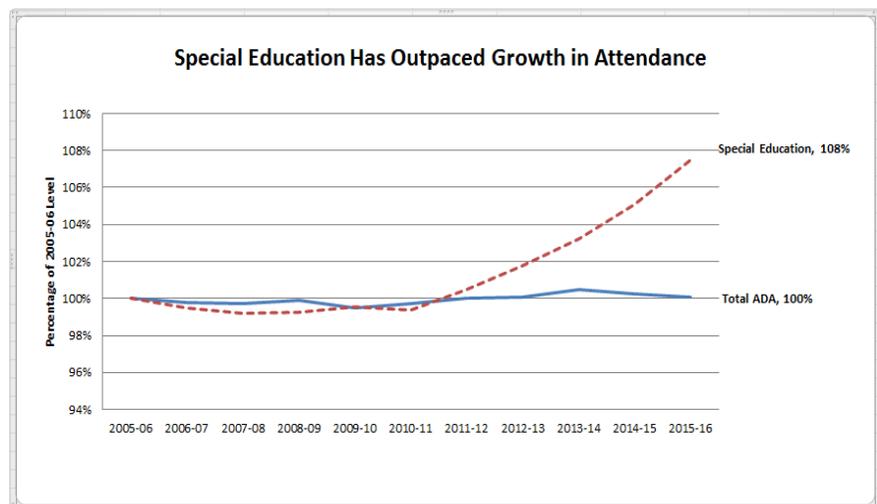
AB 602 provides funding on a census basis, allocating an amount per pupil enrolled in schools within each SELPA. Because the state has no count of ADA or enrollment of preschool age students, there is no pupil count to use as the basis for a census-based allocation for preschool age children.

In light of that, this bill uses a proxy for preschool population based on Kindergarten average daily attendance. This bill adds two additional years of Kindergarten ADA to AB 602, as a proxy for preschool special education enrollment. This is expected to require \$457 million in funding. This approach allows preschool funding to be provided in a manner consistent with AB 602, without the creation of a new categorical program within special education, and without establishing a base year which would have to be periodically updated.

***Growth funding for special education does not reflect actual growth.*** Though AB 602 is funded as a separate categorical program, growth in the overall program is funded at the same rate as the overall student population.

This method of funding special education growth would seem to conflate the separate issues of the distribution of disabilities and the incidence of them. In other words, disabilities may generally be evenly distributed across the state, but the incidence of disability may not move in tandem with the overall student population. For example, special education identification may increase at the same time that general education enrollment may be flat or declining.

This is indeed what has been happening in recent years, as the adjacent chart (provided by the LAO) shows. Overall ADA has been flat (and in many areas declining since 2005-06), growing by only 6,000, but special education enrollment has increased by 51,000. The result has been flat funding for AB 602 in spite of growth in special education enrollment.



***Declining enrollment adjustment.*** One way in which this bill addresses growth is in the way it would modify the calculation of declining enrollment adjustments. This bill allows the “current or prior” decision to occur at the district level, prior to rolling up the totals to the SELPA level, locating the choice of where it reflects actual growth or decline.

Under current law, and similar to the manner in which declining enrollment is addressed for school district ADA, a SELPA may choose the greater of current or prior year for apportionment purposes. This allows a SELPA to “cushion” declines in enrollment. To calculate ADA at the SELPA level, ADA from all districts within a SELPA is combined. So if a SELPA’s overall ADA is in decline, it can cushion the reduction in funding by choosing the prior year ADA.

But what is good in the aggregate may not be good for individual districts. To use a simple and highly exaggerated example: A SELPA has three constituent districts. Two of them have five ADA and one has ten. The two smaller districts grow from 5 to 10 ADA. The larger district declines from 10 to 5 ADA. The combined total for the SELPA in the prior year would be 20 and the total in the second would be 25 ADA. The SELPA would then choose the current year because the total is higher. But this disadvantages the district which the adjustment is supposed

to help, because that district would have benefitted by choosing the prior year. And if the increase/decline were reversed, with two districts declining and one growing, it's possible that the decline in two districts could be masked at the SELPA level by high growth in another, eliminating the opportunity to use the declining enrollment adjustment at all.

**Low incidence disabilities.** This bill proposes a new high cost service allowance for the purpose of providing supplemental funding to a SELPA on the basis of the number of pupils with severe disabilities, defined as autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, severe intellectual disability, both deafness and blindness, traumatic brain injury, and multiple disabilities. The calculation of the allowance would be based on prior year counts of those students, and would be adjusted annually for prior year enrollment. The allowance would be equal to the average base rate, which is about \$533. In total, the allowance is estimated to require \$107 million in funding, which is similar to the prior low incidence disability adjustment (SDA), which totaled \$74 million before it was eliminated.

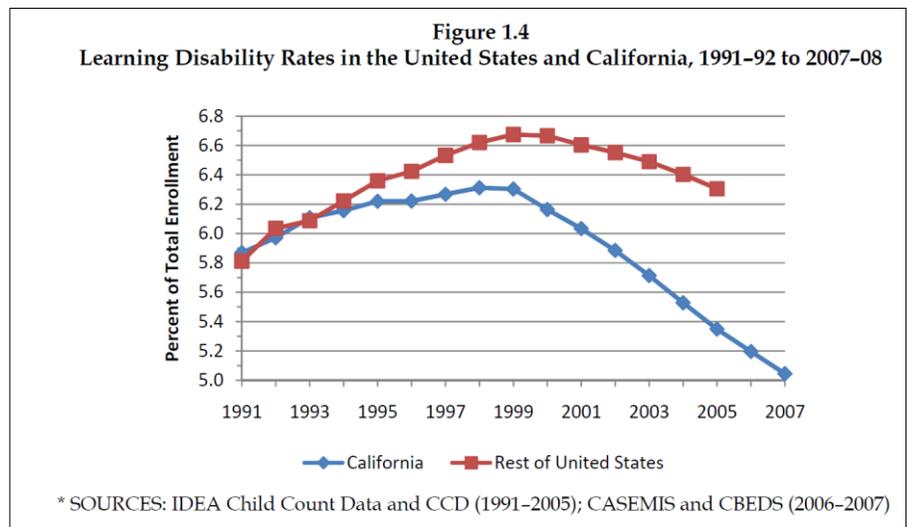
Recent history illustrates why creating a pupil-count based allocation for special education is challenging, and requires careful consideration.

California's experience moving from a model based on funding services tied to the identification of pupils (J-50) to a census-based model (AB 602) provides one illustration of the need for caution. As noted earlier, AB 602 markedly decreased the segregation of

students with severe disabilities. PPIC found that the enactment of AB 602, and a similar policy change in the 1997 reauthorization of the IDEA, diminished the fiscal incentive to identify additional students as a means of increasing funding, and found evidence that the same pattern occurred in other states which adopted census-based models. For students with severe disabilities the effect was dramatic: according to the LAO, since AB 602 was passed, the proportion of students with severe disabilities served in mainstream classrooms has doubled from 15 percent to 30 percent.

The fate of the Special Disabilities Adjustment (described above) provides further evidence of the need for caution. As noted above, this adjustment was an original part of AB 602, designed to support SELPAs which had a greater share of higher cost placements. But when the time came to adjust the allocation based on changing local costs, conflict over who would lose and receive the funding made it impossible to re-allocate. After years of inability to resolve the issue and at least seven bills to extend the SDA for one or more years, the Legislature allowed the SDA to sunset.

**This bill's approach to a low incidence disability adjustment.** In proposing a high cost service allowance, this bill attempts to 1) address concerns about overidentification and incentives to



place students in restrictive placements, 2) get funding to SELPAs which are experiencing higher costs, 3) allow for adjustments over time.

This bill would provide the high cost service allowance based on pupil counts of severe disabilities, including ASD, which is the disability category experiencing the highest growth. This bill proposes to use prior year counts of students with severe disabilities, making the initial year “ungameable.” The amount of funding provided is quite low (approximately \$533) relative to actual costs (often in the tens of thousands per student), and as a result is unlikely to drive overidentification. And the bill does not propose to tie funding to placements, as was the case with J-50.

The only scenario under which a district might be able to game the system would be, for a student with multiple disabilities, to elevate a severe disability as their primary disability. However, this would likely require the consent of the IEP team for each student, in some cases a medical diagnosis, and potentially modifications to the services provided. The additional funding would not be received until at least a year later, since the allowance is based on prior year enrollment. These factors would almost certainly outweigh the \$533 adjustment received.

***Prior and related legislation.*** AB 3136 (O’Donnell) of the 2017-18 Session would have required that special education funding rates be equalized to the 95<sup>th</sup> percentile after LCFF was fully funded, created a funding mechanism for state support of special education preschool, established a high cost service allowance to provide supplemental funding on the basis of the number of students with severe disabilities, and changed the calculation of the declining enrollment adjustment that it is based on school district, rather than Special Education Local Plan Area (SELPA), enrollment. This bill died in the Senate Appropriations Committee.

AB 312 (O’Donnell) of the 2017-18 Session would have required that special education funding rates be equalized to the 90<sup>th</sup> percentile and creates a funding mechanism for state support of special education preschool, after the LCFF is fully funded. This bill died in the Assembly Appropriations Committee.

SB 217 (Portantino and Roth) of this Session would establish the Special Education Early Intervention Grant Program, through which \$4,000 would be allocated to LEAs for each 3 and 4 year old child with exceptional needs who is enrolled in transitional kindergarten, a California state preschool program, a federal Head Start program, or any other early education preschool program.

AB 1449 (Muratsuchi) of the 2017-18 Session would have created a supplemental grant within the LCFF for students with severe disabilities, as defined, as a percentage of LCFF base grants. This bill died in the Assembly Education Committee.

SB 1071 (Allen) of the 2015-16 Session would have required, upon an appropriation in the Budget Act, a permanent one-time adjustment to the base funding calculation for each special education local plan area to support special education and related services for three and four year old preschool children with exceptional needs. This bill died in the Senate Appropriations Committee.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Coalition for Adequate Funding for Special Education (co-sponsor)  
California Association of School Business Officials (co-sponsor)  
California School Boards Association (co-sponsor)  
Albany Unified School District  
Albany Unified School District Board of Education  
Alhambra Unified School District SELPA  
Alisal Union School District  
Alta Loma School District  
Anaheim Union High School District  
Antelope Elementary School District  
Antelope Valley SELPA  
Association of California School Administrators  
Atascadero Unified School District  
Bellevue Union School District  
Benicia Unified School District  
Bonsall Unified School District  
Brentwood Union School District  
Briggs Elementary School District  
Calaveras County Office of Education  
Calaveras County SELPA  
California Alliance of Child and Family Services  
California Association of School Psychologists  
California Association of Suburban School Districts  
California Charter Schools Association  
California Down Syndrome Advocacy Coalition  
California Retired Teachers Association  
California School Employees Association  
California School Funding Coalition  
California Teachers Association  
Cardiff School District  
Carlsbad Unified School District  
Carmel Unified School District  
Castaic Union School District  
Central Valley Education Coalition  
Claremont Unified School District  
Clovis Unified School District  
Columbia Elementary School District  
Compton Unified School District  
Conejo Valley Unified School District  
Contra Costa SELPA  
CORE Charter School  
Cotati-Rohnert Park Unified School District  
Covina-Valley Unified School District  
Cypress School District

Del Mar Union School District  
Dinuba Unified School District  
Dixon Unified School District  
East San Gabriel Valley SELPA  
East Valley SELPA  
El Dorado Charter SELPA  
El Dorado County SELPA  
El Dorado County Superintendent of Schools  
El Segundo Unified School District  
Elk Grove Unified School District  
Encinitas Union School District  
Escondido Union High School District  
Escondido Union School District  
Etiwanda School District  
Evergreen Union School District  
Fairfield-Suisun Unified School District  
Firebaugh-Las Deltas Unified School District  
Folsom Cordova Unified School District  
Foothill SELPA  
Foothill SELPA Community Advisory Council  
Fresno County Charter SELPA  
Fresno County SELPA  
Fresno County Superintendent of Schools  
Glendale Unified School District  
Glendora Unified School District  
Golden Valley Unified School District  
Greater Anaheim SELPA  
Gustine Unified School District  
Hawthorne School District  
Hope School District  
Horicon Elementary School District  
Hueneme Elementary School District  
Irvine Unified School District  
Kern County Superintendent Of Schools  
KIPP Bay Area Public Schools  
La Canada Unified School District  
Lawndale Elementary School District  
Loomis Union School District  
Madera Unified School District  
Magnolia Elementary School District  
Martinez Unified School District  
Mendocino County SELPA  
Mendocino County SELPA Community Advisory Committee  
Merced City School District  
Merced County Office of Education  
Merced County SELPA  
Merced River School District  
Merced Union High School District  
Mid-Alameda County SELPA

Milpitas Unified School District  
Mono County Office of Education  
Monterey County Office of Education  
Monterey County SELPA  
Newhall School District  
North Coastal Consortium for Special Education Community Advisory Committee  
North Coastal Consortium For Special Education  
North Inland Selpa  
North Orange County SELPA  
North Region SELPA  
North Valley School, Redding NPS  
Northeast Orange County SELPA  
Oak Park Unified School District  
Oak Run Elementary School District  
Ocean View School District  
Ojai Unified School District  
Orange Unified School District  
Palos Verdes Peninsula Unified School District  
Piner-Olivet Union School District  
Pleasant Valley School District  
Rancho Santa Fe School District  
Red Bluff Joint Union High School District  
Red Bluff Union Elementary School District  
Reeds Creek Elementary School District  
Riverside County Superintendent of Schools  
Rocky Point Charter School  
San Bernardino County District Advocates For Better Schools  
San Diego County Office Of Education  
San Francisco Unified School District Community Advisory Committee For Special Education  
San Gabriel Unified School District  
San Joaquin County Office of Education  
San Luis Coastal Unified School District  
San Luis Obispo County SELPA  
San Marcos Unified School District  
San Marino Unified School District  
San Mateo County SELPA  
San Pasqual Union School District  
San Ysidro School District  
Sanger Unified School District  
Santa Barbara County SELPA  
Santa Barbara Unified School District  
Santa Clarita Valley SELPA  
Santa Rosa City Schools  
Savanna School District  
Sebastopol Independent Charter School  
Selma Unified School District  
SELPA Administrators of California  
Solana Beach School District  
Solano County Office of Education

Solano County SELPA  
Sonoma County Charter SELPA  
Sonoma County SELPA  
South Bay IEP & Disability Parents  
South Bay Union School District  
Southwest SELPA  
Stockton Unified School District  
Sulphur Springs Union School District  
Sutter County SELPA  
Sutter Union High School  
Sweetwater Union High School District  
Tehama County SELPA  
Torrance Unified School District  
Travis Unified School District  
Tri-City SELPA  
Tustin Unified School District  
Tustin Unified School District SELPA  
Twin Rivers Unified School District  
Vacaville Unified School District  
Valley Center-Pauma Unified School District  
Ventura County Office of Education  
Ventura County SELPA  
Ventura Unified School District  
West Contra Costa Unified School District SELPA  
West Covina Unified School District  
Wheatland Union High School District  
William S. Hart Union High School District  
Wright Elementary School District  
Yuba County SELPA  
Numerous individuals

**Opposition**

None on file

**Analysis Prepared by:** Tanya Lieberman / ED. / (916) 319-2087