

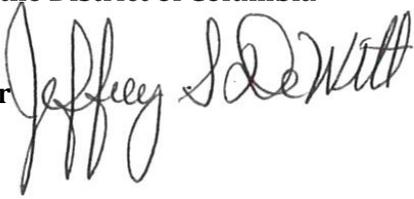
Government of the District of Columbia
Office of the Chief Financial Officer



Jeff DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeff DeWitt
Chief Financial Officer 

DATE: July 9, 2014

SUBJECT: Fiscal Impact Statement – Special Education Quality Improvement Act of 2014

REFERENCE: Bill 20-725, Draft Committee Print shared with the Office of Revenue Analysis on July 3, 2014

Conclusion

Funds are sufficient in the proposed FY 2015 through FY 2018 budget and financial plan to implement the bill.

Background

The bill makes a number of enhancements to special education services for public school students.

First, the bill removes¹ the ability for public charter school to appoint D.C. Public Schools (DCPS) as its local education agency (LEA) for purposes of special education. New charter schools must comply with this rule when the bill is enacted, while current charter schools have until August 1, 2017 to comply. Exempted from this rule are public charter schools in which 90 percent of students or more have individualized education programs (IEPs).

Second, the bill allows² charter schools to implement an admission preference for students with disabilities.

¹ By repealing Section 2202(19) (D.C. Official Code § 38-1802.02(19)) and amending Section 2210(c) (D.C. Official Code § 38-1802.10(c)) of The District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321-107; D.C. Code, § 38-1800.01 *et. seq.*).

² By amending Section 2206 (D.C. Official Code § 38-1802.06) of The District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321-107; D.C. Official Code § 38-1800.01 *et. seq.*).

The Honorable Phil Mendelson

FIS: B20-725, "Special Education Quality Improvement Act of 2014," Draft Committee Print shared with the Office of Revenue Analysis on July 3, 2014

Third, the bill establishes the Special Education Enhancement Fund ("Fund"), a segregated fund within the General Fund that OSSE will administer. Each year, OSSE will move into the Fund any unspent money dedicated to special education non-public placements. OSSE can use money in the Fund to increase the District's capacity to serve special education students. It can also give money in the Fund to public schools incurring special education costs above that for which the school was budgeted through the Uniform per Student Funding Formula allocation.

Finally, the bill requires³ the Ombudsman for Public Education to identify school-level concerns based on patterns of complaints. It also requires⁴ the Ombudsman to observe instruction at DCPS and public charter schools.

Financial Plan Impact

Funds are sufficient in the proposed FY 2015 through FY 2018 budget and financial plan to implement the bill. There will be no cost to implement the bill.

Removing the ability of a charter school to appoint DCPS as its LEA and implementing admission preferences for students with disabilities might increase the special education population at charter schools. Since funding follows students through the Uniform Per Student Funding Formula (UPSFF), charter schools would have sufficient funds to serve these students.

There is no cost to create the Special Education Enhancement Fund since it will be funded with unspent money.

The Ombudsman can absorb the cost of the requirements of the bill beginning August 2014.

³ By amending Section 604(a) (D.C. Official Code § 38-353(a)) of The Ombudsman for Public Education Establishment Act of 2007, effective June 12, 2007 (D.C. Law 17-9; D.C. Official Code § 38-351 *et seq.*).

⁴ By amending Section 605 (D.C. Official Code § 38-354) of The Ombudsman for Public Education Establishment Act of 2007, effective June 12, 2007 (D.C. Law 17-9; D.C. Official Code § 38-351 *et seq.*).