

To: House Committee on Education

From: Erin Maguire, Director of Student Support Services for EWSD and Policy and Legislative Chair for the Council of Administrators of Special Education (CASE)

Date: February 14, 2018

Re: Special Education Funding Legislation

As a Director of Special Education in the State of Vermont I have had the opportunity to exist under our present financial model for the past 16 years. Over that time I have noted the following within the context of my practice:

- The funding formula limits flexibility in intervention models,
- It encourages the divide between special education and regular education,
- It is highly challenging to administer, and
- It limits the activities of some teachers and paraprofessionals in the school simply based on funding streams.

In my role as a national leader on policy and legislation, I have noticed that Vermont is more inclusive than many other states. We also provide a high level of service when I compare our work with my peers nationally. We are recognized as a state that already meets the new Endrew F. FAPE standard set by the US Supreme Court this past year. In addition, the number of paraeducators in Vermont stuns nearly any special education director from any other state when I describe our statistics.

As your most recent language in the bill drafting process recognizes (Draft 8.1), the UVM study helps us understand that we are spending more on students in special education than most other states. The DMG report helps us understand some of the reasons that is happening and provides practice recommendations to adjust in order to improve efficiency and effectiveness simultaneously.

The **census based funding model** provides an opportunity to fund special education in a way that allows the efficiency and effectiveness to be more easily gleaned without the administratively arduous and confining funding model that currently exists. However, you are commended for recognizing the careful change process of such a shift in order to maintain a trend toward the potential efficiency and effectiveness we are seeking. Strong armed efforts at immediate high dollar figure cost containment place into jeopardy those practice changes so eloquently recommended in the DMG report.

It is also worth noting that **EWSD is a DMG study participant** this year and we are in the process of beginning to hard work to shift our practices in alignment with the district report. This is a separate topic of discussion but I can offer support to you as you have questions regarding DMG implementation.

Commendations on the new version (8.1) of the bill:

1. The bill provides for a carefully study with experienced and knowledgeable participants to consider the funding shift and provides the necessary time for implementation of resulting recommendations.
2. The bill walks away from immediate attempts for drastic cost containment and rather provides for a change model that has much more promise in the long term for improvements for students at a lower costs.
3. The bill respects both the recommendations from UVM and the DMG as a collective.

4. The bill provides the necessary legal and consultative services as well as facilitation services to the Agency of Education. These are much needed resources for a quality process with positive outcomes.

Further Recommendations:

1. There has been too little attention paid to the federal Maintenance of Effort Requirements in our discussions on this topic to date. Vermont is anticipated to accept over \$25M in federal funds this fiscal year. Any change to the funding formula, especially efforts in cost containment, must be careful to avoid loss of federal funds. The last thing we want a cost containment measure to effectuate is a loss of more funds into Vermont. I recommend a notation be added to the bill that the committee recommendations do not violate of IDEA Maintenance of Effort requirements.
2. Moving to a census model that is an average of the average is not the most effective implementation strategy. This may be mildly addressed by a weighting system but ultimately that seems unnecessary. There are a variety of variable that create variation in cost district by district. I recommend the study committee have the opportunity to consider using the FY18 Special Education Expenditure Reports to project forward an FY21 census amount based on present spending to avoid challenges with drastic funding shifts without consideration given to district to district variables. This in not in the UVM options but one that would decrease the UVM projected impact district by district while continuing to achieve the same statewide ends.
3. All activities undertaken by the study committee and the legislature must be careful to avoid the message that districts should find fewer students eligible for special education or decrease services determined to be necessary under a FAPE standard by an IEP team. There are federal statutory violations that can take place with any significant cost or service containment measures in special education under child find, implementation of FAPE as well as Maintenance of Effort. Texas was recently cited for violations and will be under extreme federal pressure to adjust and rectify this type of behavior over the next several years. The committee would be wise to study these outcomes federally before moving forward with further legislation.

Thank you for your time. Should you have further questions, please email me at emaguire@ewsd.org.