

HB 1105-FN – AS INTRODUCED

2014 SESSION

14-2033
04/01

HOUSE BILL ***1105-FN***

AN ACT relative to aid to school districts for costs of special education.

SPONSORS: Rep. Ladd, Graf 4; Rep. Gile, Merr 27; Rep. Harris, Rock 9; Rep. Grenier, Sull 7;
Rep. Myler, Merr 10; Rep. Frazer, Merr 13; Rep. Grassie, Straf 11; Rep. Shaw,
Hills 16

COMMITTEE: Education

ANALYSIS

This bill removes the requirement that catastrophic special education funds be prorated among the school districts entitled to such aid.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to aid to school districts for costs of special education.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Special Education; State Aid. Amend RSA 186-C:18, III(a) to read as follows:

2 (a) The state board of education through the commissioner, department of education,
3 shall distribute aid available under this paragraph as entitlement to such school districts as have a
4 special education pupil for whose costs they are responsible, for whom the costs of special education
5 in the fiscal year exceed 3 1/2 times the estimated state average expenditure per pupil for the school
6 year preceding the year of distribution. ~~[If in any year, the amount appropriated for distribution as
7 catastrophic special education 186-C:18 aid in accordance with this section is insufficient therefor,
8 the appropriation shall be prorated proportionally based on entitlement among the districts entitled
9 to a grant.]~~ If there are unexpended funds appropriated under this paragraph at the end of any
10 fiscal year, such funds shall be distributed for court-ordered placements under RSA 186-C:19-b. The
11 state may designate up to \$250,000 of the funds which are appropriated as required by this
12 paragraph, for each fiscal year, to assist those school districts which, under guidelines established by
13 rules of the state board of education, may qualify for emergency assistance for special education
14 costs. Upon application to the commissioner of education, and approval by the commissioner, such
15 funds may be accepted and expended by school districts in accordance with this chapter; provided,
16 however, that if a school district has received emergency assistance funds for certain children with
17 disabilities, it shall not receive catastrophic special education aid for those same children with
18 disabilities. If any of the funds designated for emergency assistance under this paragraph are not
19 used for such emergency assistance purposes, the funds shall be used to assist school districts in
20 meeting catastrophic cost increases in their special education programs as provided by this
21 paragraph.

22 2 Effective Date. This act shall take effect 60 days after its passage.

HB 1105-FN - FISCAL NOTE

AN ACT relative to aid to school districts for costs of special education.

FISCAL IMPACT:

The Department of Education states this bill, **as introduced**, would increase state general fund expenditures by \$8,377,707 in FY 2015, \$8,595,527 in FY 2016, \$8,819,011 in FY 2017, and \$9,048,305 in FY 2018. There will be no impact on state revenue, or county and local revenues and expenditures.

METHODOLOGY:

The Department of Education states this bill eliminates the proration provision for distribution of catastrophic special education aid to local school districts. Under current law catastrophic special education aid is disbursed on a reimbursement basis to local school districts, prorated by available appropriations. This bill would eliminate the proration clause resulting in an increase in state general fund expenditures in FY 2015 and each year thereafter. The Department states based on estimated reimbursement requests the FY 2014 appropriation of \$22,536,342 will cover approximately 72.9% of all requests. The Department estimates, based on data over the last ten years, and assuming a consistent appropriation amount of \$22,536,342, this bill would result in the following additional general fund expenditure:

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Estimated Requests for Reimbursement | \$30,914,049 | \$31,131,869 | \$31,355,353 | \$31,584,647 |
| | | | | |
| Assumed Existing Appropriation | \$22,536,342 | \$22,536,342 | \$22,536,342 | \$22,536,342 |
| <i>Additional Expenditure</i> | <i>\$8,377,707</i> | <i>\$8,595,527</i> | <i>\$8,819,011</i> | <i>\$9,048,305</i> |