

HB 635-FN - AS INTRODUCED

2015 SESSION

15-0376  
04/03

HOUSE BILL            **635-FN**

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

SPONSORS:            Rep. Cloutier, Sull 10; Rep. Gile, Merr 27; Rep. Harris, Rock 9; Rep. Grenier,  
Sull 7; Rep. Myler, Merr 10; Rep. J. Frazer, Merr 13; Rep. Shaw, Hills 16

COMMITTEE:          Education

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ANALYSIS

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

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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                                Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Fifteen*

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 635-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, may increase state general fund expenditures and local revenues by an indeterminable amount in FY 2016 and each year thereafter. There will be no fiscal impact on state and county revenues, or county and local expenditures.

**METHODOLOGY:**

The Department of Education states this bill would remove the proration provision from the catastrophic aid formula under RSA 186-C:18, III(a). While the Department is unable to estimate this bill's exact impact, as it would depend on actual local special education expenditures reimbursable under the catastrophic aid formula, it does believe this bill's may increase state general fund expenditures and local revenues by an indeterminable amount in FY 2016 and each year thereafter. The Department has provided the following data:

	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
Allowable Catastrophic Aid Reimbursement Amount Under RSA 186-C:18, III(a)	\$30,921,337	\$29,997,917	\$29,857,842	\$28,938,167
Amount Appropriated*	<u>\$21,537,308</u>	<u>\$21,537,308</u>	<u>\$22,537,308</u>	<u>\$21,537,308</u>
Difference (Allowable Reimbursement, Less Appropriation)	\$9,384,029	\$8,460,609	\$7,320,534	\$7,400,859
Proration Percentage	69.7%	71.8%	75.5%	74.4%