

FISCAL NOTE

Bill #: HB0161

Title: Expand non-categorical option for special education

Primary Sponsor: Michelle Lee

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. Approximately 40% of Montana schools would exercise their discretion and adopt the developmental delay definition for use in their district.
2. Approximately 100 new students would be added to the total number of students served by special education as the result of the addition of the developmental delay category.
3. Approximately 100 new students would be added to the total number of students served by special education as a result of the use of the non-categorical term "Child with a Disability."
4. Many more than 200 students would be identified as having a developmental delay or non-categorically identified as a "Child with a Disability," however, the number exceeding 200 would come from the ranks of students currently qualifying for special education under other existing disability categories.
5. HB 161 will not affect the state appropriations for K-12 BASE aid and special education.

(continued)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Total state general fund revenue distributed to schools and special education cooperatives would remain unchanged. If costs increased as a result of serving these students, there may be a minor effect on the relative share of the appropriation that certain schools receive by increasing their share of reimbursement for disproportionate costs under the state's special education funding formula. In the short term there may be increased cost to districts by serving these students that may increase district general fund property taxes.

Total general fund costs to the districts over the long term, however, may not significantly increase costs, since earlier intervention that is intended to come as a result of this legislation may offset the cost of services the student would otherwise need later in the student's schooling.