



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0233

Title: Revise funding for students with disabilities

Primary Sponsor: Anderson, Fred

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$136,051	\$151,465	\$146,071
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>(\$136,051)</u>	<u>(\$151,465)</u>	<u>(\$146,071)</u>

Description of fiscal impact: HB 233 allows that students with disabilities who have not reached 21 years of age by September 10 of the school year and have not yet met graduation requirements may be included in the calculation of the average number belonging (ANB) in a school district. The approximate state general fund cost is \$136,000 beginning in FY 2023.

FISCAL ANALYSIS

Assumptions:

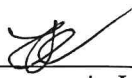
1. School districts report enrollment for all students, including those who are 19 years of age or older. For the 2019-2020 school year, schools reported 24 students in October who were between 19 and 20 years of age and had an individualized education plan. These enrollments generate 25 additional high school ANB when they are included in the calculation of average number belonging.
2. To be included in the ANB calculation for a district, the student must be receiving special education services from the school district and have not yet met graduation requirements. The bill specifies that the disability needs to be "significant". Data from the October 2020 Child Count Data collection by the OPI identifies the number of students with autism, cognitive delay, multiple disabilities, deaf/blindness, and traumatic brain injury to be considered significant delay or impairment.

3. The 2019 October Child Count identifies 23 students that may qualify for additional funding through HB 233.
4. HB 233 is effective to the school fiscal year that begins July 1, 2021. The students who are between 19 and 20 years of age in the 2021-22 school year would generate additional ANB beginning in FY 2023. OPI estimates that “current year” ANB will increase to 26 ANB in FY 2023.
5. The budget limitation ANB are the counts that determine state support for schools and the general fund budget limits for school districts.
6. OPI estimates that the additional ANB will increase state support for schools by increasing direct state aid, guaranteed tax base aid, the Indian education for all payment, and the Data for Achievement payment.
7. OPI anticipates that a small number of the included students will be American Indian and will generate the American Indian Achievement Gap payment. The cost associated with this payment will be minimal.

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Local Assist (Direct State Aid)	\$0	\$84,079	\$93,281	\$87,334
Local Assist (Guaranteed TaxBase Aid)	\$0	\$44,484	\$49,931	\$50,487
Local Assist (Indian Ed For All)	\$0	\$605	\$616	\$628
Local Assist (Data for Achievement)	\$0	\$580	\$590	\$601
Local Assist (Retirement GTB)	\$0	\$6,303	\$7,047	\$7,021
TOTAL Expenditures	\$0	\$136,051	\$151,465	\$146,071
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$136,051	\$151,465	\$146,071
TOTAL Funding of Exp.	\$0	\$136,051	\$151,465	\$146,071
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	(\$136,051)	(\$151,465)	(\$146,071)

Effect on County or Other Local Revenues or Expenditures:

1. The local property tax impact could be approximately \$24,600 beginning in FY2023.

 _____ Sponsor's Initials	<u>2/1/21</u> _____ Date	<u>KA</u> _____ Budget Director's Initials	<u>1/30/21</u> _____ Date
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