

BILL # HB 2629

TITLE: non-resident special education; costs

SPONSOR: Schottel

STATUS: House Engrossed

REQUESTED BY: Senate

PREPARED BY: Steve Schimpp

FISCAL YEAR

	1999	2000	2001
EXPENDITURES			
General Fund	\$-0-	\$254,500	\$275,200

FISCAL ANALYSIS

Description

This bill would provide school districts with additional funding for non-resident special education pupils who are placed in a foster home, child care agency or state institution that is located within its boundaries by a state placing agency such as the Department of Economic Security. The additional funding would enable districts to receive full reimbursement for costs incurred in educating their non-resident special education pupils.

Under current law (A.R.S. § 15-824, subsection E, paragraph 3) funding for “excess costs” for non-resident special education pupils is provided, but is limited to amounts needed to reach full funding levels identified in the biennial special education cost study conducted pursuant to A.R.S. § 15-236. HB 2629 would have the effect of removing the cost study level limitation if a district’s actual costs exceed cost study levels and if the district provides the Arizona Department of Education with a record of its actual costs.

Estimated Impact

We estimate the cost of the bill at \$247,100 in FY 2000 and \$259,400 in FY 2001.

Assumptions

1. The average per pupil “shortfall” for non-resident special education pupils will be approximately \$470 in FY 1999. This estimate is based on information obtained from the Tucson Unified School District, which serves approximately 10% of all non-resident special education pupils in the state.
2. The total “Average Daily Membership” (ADM) for non-resident special education pupils statewide will be approximately 500 in FY 1999 (estimate from the Arizona Department of Education).
3. The average per pupil funding “shortfall” for non-resident special education pupils will increase by 3% annually after FY 1999.
4. The total statewide ADM for non-resident special education pupils grows at a rate of about 5% annually.

Local Government Impact

Since all “excess cost” funding would come from the State General Fund, the bill would not have a direct local government impact. It would, however, free up for other uses local funding that currently is devoted to covering excess costs of non-resident special education pupils.