

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB356

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Stuart

3. Committee: Education and Health

4. Title: Children's Services Act; special education programs.

5. Summary: Expands eligibility for services under the Children's Services Act to students who transfer from an approved private school special education program to a public school special education program established and funded jointly by a local governing body and school division located within Planning District 16 for the purpose of providing special education and related services when (i) the public school special education program is able to provide services comparable to those of an approved private school special education program and (ii) the student would require placement in an approved private school special education program but for the availability of the public school special education program.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: See 8 below.

8. Fiscal Implications: This legislation would make children in Planning District 16 who transition from private day settings to public school settings eligible for Children's Services Act (CSA) mandated funding. Currently, CSA funding is not available for special education services provided in a public school setting.

The average cost of a private day setting in FY 2021 was \$48,969 statewide, with an average local match of approximately 37 percent. This results in an average annual state cost of \$30,850 for each student placed in a private day setting. Because there currently is no category of services provided in public school settings, the rate of payment to the school from CSA as a result of this legislation would be negotiated just as any other service rate is negotiated. As a result, it is not possible to know the impact of this legislation. However, it is reasonable to assume that the negotiated rate would not be greater than a private setting, resulting in a neutral net impact to CSA for those students who transfer as a result of this legislation.

If students in private day who would have otherwise returned to public schools without this legislation become eligible as a result, then CSA will incur costs that otherwise would have been the responsibility of the school districts. Without knowing the rate that would be paid, it is not possible to determine the magnitude of that impact. Because this is limited to one

planning district, that impact would likely be small. However, if this were implemented on a statewide basis, the possible effect would be more significant.

It is possible that some students impacted by this legislation might already be receiving services eligible for CSA funds for certain transitional services provided in public schools, albeit on a temporary basis. Chapter 71, 2021 Acts of Assembly, Special Session I, added a provision in Code that allows CSA pool funds to be used for up to 12 months of transitional services (including one-on-one aides, speech therapy, occupational therapy, behavioral health services, counseling, applied behavior analysis, specially designed instruction delivered directly to the student, or other services needed to facilitate such transition) for students moving from a private to public school placement.

9. Specific Agency or Political Subdivisions Affected: Children's Services Act, Department of Education

10. Technical Amendment Necessary: No.

11. Other Comments: None.