

## Department of Planning and Budget 2014 Fiscal Impact Statement

**1. Bill Number:** SB153

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

**2. Patron:** Stuart

**3. Committee:** Rehab and Social Services

**4. Title:** Comprehensive Services for At-Risk Youth and Families; special education programs.

**5. Summary:** Comprehensive Services for At-Risk Youth and Families; special education programs. Expands eligibility for services through the Comprehensive Services for At-Risk Youth and Families program to students in Planning District 16 placed in public school special educational programs established by a school division for the purpose of providing special education when the public school special educational program is able to provide services comparable to those of an approved private school special educational program, and the student would require placement in an approved private school special educational program but for the availability of the public school special educational program.

**6. Budget Amendment Necessary:** Yes, Item 279.

**7. Fiscal Impact Estimates:** Preliminary. See fiscal implications below.

**8. Fiscal Implications:** This bill expands the population eligible for funding under the Comprehensive Services Act (CSA) to include students with disabilities in Planning District 16 who are currently served in certain public school settings when the public school program provides services comparable to a private school program and, without the public school program, the students would be placed in a private school program. Current statute specifies that only students with disabilities who require placement in approved private school programs are included in the CSA population.

This fiscal impact statement includes a range of costs depending on interpretation of the language. The impact was generated using data from the Department of Education (DOE) and the Office of Comprehensive Services (OCS).

**Scenario 1:**

The language may be interpreted broadly. Based on the individualized determination of special education programs and services in accordance with federal law, there is potential for every child in the affected school divisions in public school special education programs to

become eligible for CSA funding, provided that the school division and local government execute a Memorandum of Agreement to jointly administer the program. This scenario assumes that all children who would otherwise be in private day placements are covered by this legislation. Data indicate that the greatest populations of youth placed into private day programs are youth identified with disability categories of Emotional Disturbance and Autism. According to the Dec 1, 2012 Child Count report, there were a total of 1,031 students with such disabilities in the five school divisions in Planning District 16

The Department of Education reports an average per child cost for special education services of \$23,919 and an average reimbursement rate of 47 percent, thus the current state share of costs is \$11,242 for special education placements in the public schools. With the changes proposed in this legislation, the state's share would increase to 57 percent (average state share of the localities in Planning District 16 under the CSA) at a cost of \$13,634, an increase of \$2,392 per child.

If each of those children becomes eligible for CSA services, this impact would be \$2.5 million per year. There may be a slight offset of state costs for any child that moves into a public school program from a private day placement.

	DOE	CSA
Average Cost	\$23,919	\$23,919
Match Rate	47%	57%
State cost per child	\$11,242	\$13,634
Number of Children	1031	1031
Total Cost	\$11,590,430	\$14,056,479
<b>Increased Cost to State</b>	<b>\$2,466,049</b>	

## Scenario 2:

The determination of comparable services and need for private placement absent the public school program is reasonably predicted to apply to those students who receive services in the most restrictive program offered by each individual school division. If ten percent of the 1,031 students referenced above are in the most restrictive public school placements offered by those divisions, the number who might be considered eligible for CSA funding would be 103. (Stafford County reports serving nine percent of this population in its unique program for students with autism.) Again, there may be a slight offset for any child who is moved from a private day placement into a public school program.

	DOE	CSA
Average Cost	\$23,919	\$23,919

Match Rate	47%	57%
State cost per child	\$11,242	\$13,634
Number of Children	103	103
Total Cost	\$1,157,919	\$1,404,284
<b>Increased Cost to State</b>	<b>\$246,366</b>	

### Scenario 3:

If the legal interpretation of the language is that only those children moving from a private day placement into a public school program will be eligible for CSA pool funds, there will be a savings to the state. The number of youth funded in private day schools for these five localities in FY 2013 totaled 292, or 25 percent of their combined total of students with Emotional Disturbance and Autism. It has been suggested that some of these youth might be transitioned to lesser restrictive programs in public schools if additional funding is available to support the public programs. The lower cost of public school services vs. private day placements may result in reduced costs for some children. There is, however, no concrete way to estimate the number of children who may move into a public school setting. The estimated reduction in state cost for each child that is moved into a public school setting is \$7,181.

**9. Specific Agency or Political Subdivisions Affected:** Comprehensive Services Act, Department of Education.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** These calculations recognize general fund currently expended by DOE. Enactment of this legislation would require transfer of funds from DOE to CSA.

This FIS uses the average cost per child for DOE special education services of \$23,919. However, there is a wide array of cost dependent on the service rendered. Note that the average cost per students with disabilities of Emotional Disturbance and Autism are higher than the average cost for a special education student (\$31,222 and \$29,865 respectively). If the 103 children in scenario 2 all required autistic services, the additional statewide cost would increase to \$264,524. (Average cost of \$29,865 for autism services)