

### Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>23-4187/1</b>	<b>Introduction Number</b> <b>AB-0527</b>
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**Description**  
 the reimbursement rate for special education costs and making an appropriation

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

**Local:**

<input type="checkbox"/> No Local Government Costs	<b>5. Types of Local Government Units Affected</b>	
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Towns	<input type="checkbox"/> Village <input type="checkbox"/> Cities
1. <input type="checkbox"/> Increase Costs	<input type="checkbox"/> Counties	<input type="checkbox"/> Others
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input checked="" type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
3. <input checked="" type="checkbox"/> Increase Revenue		
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory		
4. <input type="checkbox"/> Decrease Revenue		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.255 (2) (b)

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DPI/ Morgan Hau (608) 264-9559	Erin Fath (608) 266-2804	10/31/2023

## Fiscal Estimate Narratives

DPI 10/31/2023

LRB Number	<b>23-4187/1</b>	Introduction Number	<b>AB-0527</b>	Estimate Type	<b>Original</b>
<b>Description</b> the reimbursement rate for special education costs and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, the state reimburses the full cost of special education for children in hospitals and convalescent homes for orthopedically disabled children. After those costs are paid, the state reimburses remaining eligible costs from the amount remaining in the appropriation account that distributes the full amount appropriated.

LRB estimates that in the 2023-24 school year the reimbursement rate will be 33.3 percent.

This bill changes the appropriation to a sum sufficient starting in 2023-24 school year. It changes that the remaining costs are to be reimbursed at 90 percent of eligible costs.

State impact: Increase costs

The current appropriation in FY24 is \$558,036,700 and FY25 is \$574,777,700. The current estimated reimbursement rate for FY24 and FY25 is 33.3%. This bill would increase costs for the state by \$950,170,600 in FY24 and \$978,675,500 in FY25. Though, this bill changes the appropriation from annual, to sum sufficient, the estimated total aid eligibility is in FY24 \$1,508,207,300 and in FY25 \$1,553,453,200.

Local impact: Increase revenues

This would increase revenues that are distributed to school districts who qualify for special education aid funding. It is indeterminate what each school district will qualify for specifically based on their actual special education costs.

### Long-Range Fiscal Implications

This would increase the total costs for special education aid for all future fiscal years for the state.