

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) PI 30, Special Education Aid	
4. Subject Clarifying high cost special education aid	
5. Fund Sources Affected <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected s. 20.255 (2) (bd), Stats.
7. Fiscal Effect of Implementing the Rule <input checked="" type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget	
8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input type="checkbox"/> Specific Businesses/Sectors <input checked="" type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s.227.137 (3)(b) 1., Stats \$0	
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137 (3) (b) 2., Stats.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11. Policy Problem Addressed by the Rule The proposed rule seeks to provide clarity in determining costs for providing special education related services to a child for the purpose of receiving high cost special education aid. The areas clarified by this rule are as follows: 1) determining nonadministrative costs for providing special education and related services to a child, distinct from such costs for other children; 2) determining how equipment and other capital costs are considered in the context of "the previous school year" as given in s. 115.881 (1), Stats.; 3) clarifying what is meant by "federal medicaid," as given in s. 115.881 (1), Stats., for the purpose of determining claims under the program; and 4) determining how the \$30,000 threshold for special education costs is evaluated against the other funding sources listed in statute.	
12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments The Department held a preliminary public hearing and comment period on the proposed rule and no comments were received. No specific businesses or local governments were contacted.	
13. Identify the Local Governmental Units that Participated in the Development of this EIA None.	
14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) State: The proposed rule modifies how the Department administers the program, but that would be absorbed within existing agency resources. Over the long term, a more consistent methodology would reduce administrative burden by reducing the need to review special cases or proposals for costing out low-incidence, high-need programs. Local:	

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The overall fiscal impact is zero—aid will be paid out up to the appropriation. However, the district-by-district impact is indeterminate. Aid payments depend upon the needs of individual children, the local costs of serving those needs, and whether or not a claim is submitted for any given child.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed rules clarify statutory provisions governing the high cost special education aid program for the purposes of eligible agencies applying for and receiving the aid. Without a rule change, the Department will be required to administer PI 30 as it currently exists in rule, and eligible agencies may be faced with ambiguity around administration of the program.

16. Long-Range Implications of Implementing the Rule

This proposed rule will ensure clarity for applicants that are eligible for apply for and receive aid under the high cost special education aid program.

17. Compare With Approaches Being Used by Federal Government

None.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

There are no comparable rules governing aid for high-cost special education students in adjacent states. However, each states' respective formula for funding special education is as follows:

- Illinois: Under 105 Ill. Comp. Stat. Ann. 5/18-8.15, the formula for funding special education in Illinois is a resource-allocation and census-based system.
- Iowa: Under Iowa Code Ann. § 256B.9, the formula for funding special education in Iowa is a multiple student weights system in which three different weights are based on the type of classroom where the student is educated.
- Michigan: Under Mich. Comp. Laws Ann. § 388.1652, the formula for funding special education in Michigan is a partial reimbursement system not to exceed 75% of the total approved costs of operating special education programs.
- Minnesota: Under Minn. Stat. Ann. § 125A.76, the formula for funding special education in Minnesota is a hybrid system incorporating partial reimbursement plus multiple student weights based on students slotted into three categories based on learning disorder.

19. Contact Name

Carl Bryan, Administrative Rules Coordinator
Department of Public Instruction

20. Contact Phone Number

(608) 267-9127

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