

#### State of Misconsin 2021 - 2022 LEGISLATURE

### DOA:.....Kretschmann, BB0424 – Special Education Categorical Aid FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

# Analysis by the Legislative Reference Bureau EDUCATION

#### **PRIMARY AND SECONDARY EDUCATION**

#### Funding for special education and school age parents programs

This bill changes the rate at which the state reimburses school boards, operators of independent charter schools, cooperative educational service agencies, and county children with disabilities education boards for costs incurred to provide special education and related services to children with disabilities and for school age parents programs (eligible costs). Under current law, the full cost of special education for children in hospitals and convalescent homes for orthopedically disabled children is reimbursed. After those costs are paid, the remaining eligible costs are reimbursed from the amount remaining in the appropriation account at a rate that distributes the full amount appropriated. DPI estimates that, in the 2020–21 school year, the reimbursement rate is about 28 percent.

The bill changes the appropriation to a sum sufficient and provides that, after full payment of hospital and convalescent home costs, the remaining eligible costs are reimbursed at the following rates:

1. In the 2021-22 school year, 45 percent of eligible costs.

2. In the 2022–23 school year and in each school year thereafter, 50 percent of eligible costs.

Currently, DPI provides 1) special education aid to school districts, independent charter schools, CESAs, and CCDEBs; 2) aid to school districts, CESAs, and CCDEBs for providing physical or mental health treatment services to private school and tribal school pupils; and 3) aid for school age parent programs to school districts only.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

## The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 20.255 (2) (b) of the statutes is amended to read:

20.255 (2) (b) Aids for special education and school age parents programs. The amounts in the schedule <u>A sum sufficient</u> for the payment of <u>the full cost of special</u> education for children in hospitals and convalescent homes under s. 115.88 (4) and for the payment of aids for special education and school age parents programs <del>under</del> ss. 115.88, 115.93 and 118.255 as provided under s. 115.882.

 $\ast\ast\ast\ast$  Note: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 115.882 of the statutes is renumbered 115.882 (intro.) and amended to read:

**115.882 Payment of state aid; reimbursement rate.** (intro.) Funds appropriated under s. 20.255 (2) (b) shall be used first for the purpose of s. 115.88 (4). Costs eligible for reimbursement from the appropriation under s. 20.255 (2) (b) under ss. 115.88 (1m) to (3), (6), and (8), 115.93, and 118.255 (4) shall be reimbursed at -a rate set to distribute the full amount appropriated for reimbursement for the costs, not to exceed 100 percent. the following rates:

**SECTION 3.** 115.882 (1) and (2) of the statutes are created to read:

115.882 (1) In the 2021-22 school year, 45 percent of eligible costs.

(2) In the 2022-23 school year and in each school year thereafter, 50 percent of eligible costs.

(END)