

February 10, 2012

The Honorable Mike Kiegerl, Chairperson  
House Committee on Children and Families  
Statehouse, Room 173-W  
Topeka, Kansas 66612

Dear Representative Kiegerl:

**SUBJECT:** Fiscal Note for HB 2543 by House Committee on Children and Families

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2543 is respectfully submitted to your committee.

HB 2543 would create an autism scholarship program for the purpose of providing eligible students with autism the option to attend the public or nonpublic school of the parent's choice. The program would be administered by the State Board of Education.

An eligible student would be defined as an exceptional child who: (1) has been identified as having autism or an autism spectrum disorder; (2) has had an individual education plan (IEP) in effect which provides for services which cost in excess of \$25,000; and (3) was enrolled in public school in the previous school year or is eligible to enter public school in the school year in which a scholarship is first sought for the child. Any parent of an eligible student would qualify for a scholarship from the Board if: (1) the student has had an IEP written in accordance with the rules of the State Board; (2) the student has been accepted for admission at a participating school; and (3) the parent has submitted an application for a scholarship in the manner specified by the State Board.

The maximum scholarship granted to an eligible student would be an amount equal to the lesser of: (1) the estimated cost of the services to be provided under the IEP for the student; or (2) an amount equal to the sum of: (A) the amount of the base state aid per pupil; plus (B) \$20,000; plus (C) an amount equal to 75.0 percent of the amount of the cost of the tuition and educational services provided by the participating school to the eligible student which exceeds the sum of (A) and (B). The autism scholarship would remain in force until the student returns to a public school, graduates from high school or reaches age 21, whichever comes first.

Although the scholarship amount would be a function of a student's IEP, the participating school would not be required to abide by the IEP. The parent and the participating school would mutually determine the best services and educational plan for the students.

The bill would require the Board to adopt rules and regulations regarding requirements for the eligibility and participation of nonpublic schools in the scholarship program, the calculation and awarding of scholarships, and procedures and safeguards relating to the issuance of vouchers to insure that monies awarded as scholarships are used for the purpose for which awarded. The bill would outline reasons why the Board could bar a school from participation in the program and the eligibility requirements for a nonpublic school to participate in the program.

The bill would require the Board to conduct a study of the program with non-state money and could accept grants to assist in funding the study. The study would assess: (1) the level of participating student's satisfaction with program; (2) the level of parental satisfaction with the program; (3) the percentage of students who were victimized because of their special needs status at their resident district compared to their participating school; (4) the percentage of students who exhibited behavioral problems at the resident district compared to the participating school; (5) the class size experienced by students at their resident and participating districts; and (6) the fiscal effect for the state and school districts.

The Kansas Department of Education assumes that only parents of students with severe autism would utilize this program at an average cost of \$25,000 per student. During the 2009-2010 school year, there were approximately 2,800 Kansas students with autism. Assuming 10.0 percent or 280 students would choose to participate in this program at a cost of \$25,000 each, enactment of HB 2543 would require an appropriation of \$7.0 million, all from the State General Fund. If only 100 students chose to utilize the program, the program would require \$2.5 million, all from the State General Fund. However, an exact number of students who would chose to participate in the program cannot be estimated.

In addition, the Department would require 1.00 FTE Education Program Consultant to administer the program. The agency estimates total expenditures of \$85,172 would be needed from the State General Fund, including \$77,264 for salaries and wages, and \$7,908 for other operating expenditures, including rent, office equipment and travel and subsistence expenditures. Any fiscal effect associated with HB 2543 is not reflected in *The FY 2013 Governor's Budget Report*.

The Division of the Budget notes that a portion of increased expenditures from scholarship awards may be offset by a reduction in state aid to school districts that would experience a reduction in autism students who would choose to go to a private school. The amount of reduced aid payments would depend on the types of weightings each individual student would receive under the current school finance formula.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Dale Dennis, Education