OLR Bill Analysis
sHB 5447 (as amended by House "A")*

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE AUDITORS OF PUBLIC ACCOUNTS CONCERNING PRIVATE PROVIDERS OF SPECIAL EDUCATION.

SUMMARY

This bill requires, starting July 1, 2019, a local or regional board of education to have a written contract, instead of an agreement as under current law, with a private special education provider in order to receive a state reimbursement grant for special education costs (known as the excess cost grant). Under the excess cost grant program, the state reimburses a board when the cost of a student’s special education services exceed four and a half times the average per pupil educational cost of that school district.

The bill requires that any agreements entered into or amended on or after July 1, 2018 but before June 30, 2019 and any contract entered into or amended on or after July 1, 2019 must include an explanation of how the provider’s tuition or costs for services provided are calculated. It makes the same change to the current law’s requirements that districts must follow when they choose to enter into a contract for private special education services.

The bill also requires the State Department of Education (SDE) to develop standards and a process for documenting special education services provided by private providers that includes the use of standard forms or other electronic reporting systems.

It also requires any private provider providing special education services for a local or regional board of education to annually submit its operating budget to SDE.

Lastly, the bill also makes other minor, conforming, and technical changes.
*House Amendment “A” adds requirements that:

1. a contract or agreement include an explanation of how the provider’s tuition or costs for services provided are calculated,

2. SDE develop standards and a process for special education services provided by private providers, and

3. private providers submit an annual budget to SDE.

It also makes conforming changes.

EFFECTIVE DATE: July 1, 2018

§ 1 — CONTRACTS WITH SPECIAL EDUCATION PROVIDERS

The bill prohibits the individualized education program of a student from being considered a contract between a board of education and a private special education services provider for purposes of the excess cost grant.

The bill specifies that the requirement to have a contract must not be construed to limit or interrupt special education and related services to a student by a board or private provider.

§§ 2 & 3 — AUDITORS OF PUBLIC ACCOUNTS AND CONTRACTS

Under current law, the auditors of public accounts have authority to audit and report on agreements between boards and private special education providers. The bill extends this authority to include the contracts it requires in order to be eligible for the state reimbursement grant. Specifically, it:

1. requires boards that enter into these contracts to submit to an examination by the auditors of the board’s monitoring of student attendance at the provider’s program to ensure that proper services are being provided and costs are being controlled;

2. authorizes the auditors to act as the board’s agent in order to conduct an audit of the private providers’ records and accounts; and
3. requires the auditors to report their findings to the board of education that entered into the contract, the education commissioner, and the Education Committee.

§ 4 — DOCUMENTATION STANDARDS AND PROCESS FOR PRIVATE SPECIAL EDUCATION SERVICES

The bill requires SDE to develop documentation standards and a process for special education services provided by private providers. The standards and process must include the use of standard forms or other electronic reporting systems that a private provider can use, as long as the forms or systems allow the provider to:

1. document the scope and type of services provided to an individual student on a daily, weekly, and monthly basis;

2. record the number of such services provided on a daily, weekly, and monthly basis; and

3. include, at a minimum, the name of the student receiving services, the service being provided, the date and length of time the service was provided, and the name and signature of the person providing the service.

The department must consult with private special education services providers to develop the standards and process.

§ 5 — PROVIDER BUDGETS SUBMITTED TO SDE

Under the bill, whenever any child is identified by a board of education as requiring special education and the board determines that the child’s special education requirements could be met by a program provided by an agreement or a contract with a private special education services provider, the private provider must submit its operating budget to SDE on or before October 1 of the school year in which the provider is providing the program, except that the private provider is not required to submit its operating budget more than once in a single school year. This requirement does not apply to the child’s need for non-educational services (i.e., medical, psychiatric or institutional care or services).
COMMITTEE ACTION

Education Committee

Joint Favorable Substitute
Yea  35   Nay  0   (03/23/2018)