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FISCAL NOTE(Form 1)
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BILL NUMBER: SHB 5655
FILE NUMBER:
AMENDMENTS: House "A", "B",
"C", "K" & "L"

TITLE: "AN ACT CONCERNING REVISIONS TO THE EDUCATION STATUTES"

FAVORABLY REPORTED BY Education, Government Administration and Elections, Appropriations, Transportation

EFFECTIVE DATE: 7/1/92

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FISCAL IMPACT STATEMENT - BILL NUMBER SHB 5655

STATE IMPACT	Savings, Future Revenue Gain, Minimal Cost, Minimal Savings, Minimal Revenue Gain, Future Cost, see explanation below
MUNICIPAL IMPACT	Minimal Cost, Revenue Loss, see explanation below
STATE AGENCY(S)	Department of Education

EXPLANATION OF ESTIMATES:

STATE AND MUNICIPAL IMPACT: The portion of this bill as amended creating a Connecticut Advisory Council for School Administrator Professional Standards results in a minimal cost to the state due to required reports. The elimination of the Equity Committee results in a minimal savings to the state due to less paperwork and reporting. The transfer of Driver's Education responsibility from the Department of Education to the Department of Motor Vehicles will result in a cost to the state as no available person in DMV has the expertise to develop an educational program at present and as responsibility in SDE is shared, no person from SDE can be transferred to DMV. The removal of providing transcripts at state cost in school accommodation cases will result in a minimal revenue gain to the state which in turn is a minimal cost to local school districts. The requirement that eighth graders who fall below the remedial level on mastery exams retake these exams in ninth grade beginning September 1, 1993 results in a future cost to the state due to the increased number of tests that will be provided and scored. There is no increased costs to local districts however as the exam will still be given only at the regular administration.

This bill as amended results in a state savings of approximately \$161.0 million due to the alteration of six grants, which in turn is a revenue loss to towns and local school districts. The Education Cost Sharing (ECS) formula is reduced by \$130.4 million by reducing

the guaranteed wealth level, altering hold harmless provisions and capping aid increases. The Special Education grant is reduced by \$30.1 million by reducing the current 10% to 70% sliding scale to a 0% to 70% scale with a 2% floor and additionally no longer reimbursing gifted and talented expenditures. The School Transportation grant is reduced \$6.1 million by lowering the current sliding scale reimbursement from 10% to 60% to 0% to 60%. The Adult Education grant is increased by \$600,000 by a combination of removing the cap on appropriations and reducing the sliding scale from 10% to 70% to 0% to 65%. The Priority School district grant is provided an additional \$9.0 million above SFY 1991-92 levels and is limited to the eight largest cities who will share equally in the \$8.0 million provided in the budget as passed by the Appropriations Committee and four other cities receiving \$500,000 each designated by "educational need". The Compensatory Education grant which provided \$4.0 million to school districts in SFY 1991-92 is eliminated in this bill as amended.

Finally, the bill as amended would result in a future revenue gain to the Commission on the Deaf and Hearing Impaired. The bill as amended would allow the Commission to set the rate for reimbursable interpreting services at a level higher than the average cost of such services. The Commission is anticipated to set the rate at 15% above the average hourly compensation of interpreters which is estimated to generate \$5,000 - \$15,000 in revenue. The Commission would retain these funds for additional interpreting services for the deaf.

Other changes within the bill as amended are technical and result in no fiscal impact.

House "A" altered the grants. House "B", "C", "K" and "L" are technical in nature and result in no fiscal impact.

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