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FISCAL NOTE(Form 4)  
(Office of Fiscal Analysis)  
Analyst: AS 4/20/92  
kr  
Version:

BILL NUMBER: SSB 47  
FILE NUMBER:  
AMENDMENTS:

TITLE: "AN ACT CONCERNING CERTAIN EDUCATION GRANTS"

FAVORABLY REPORTED BY Education, Appropriations

SUMMARY: This bill eliminates Compensatory Education grants and alters the Education Cost Sharing (ECS) grant, the Special Education grant, School Transportation grant, Adult Education grant and Priority School District grant. Additionally, the bill makes changes in the method used by the Commission on the Deaf and Hearing Impaired in determining fees for interpreting services.

EFFECTIVE DATE: 7/1/92 except  
Section 14, 7/1/93

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FISCAL IMPACT STATEMENT - BILL NUMBER SSB 47

STATE IMPACT Savings, Revenue Gain, Implements Provisions in the Budget, see below

MUNICIPAL IMPACT Revenue Loss, see below

STATE AGENCY(S) Department of Education, Commission on the Deaf and Hearing Impaired, Department of Higher Education

	Current FY	1992-93	1993-94
State Cost (savings)	:	:(163.5 m.)	:
St Revenue (Loss)	:	:5,000-15,000	:
Net St Cost (savings)	:	:	:
Municipal Revenue Loss	:	: 163.5 m.	:

EXPLANATION OF ESTIMATES:

STATE AND MUNICIPAL IMPACT: This bill results in a state savings of approximately \$163.5 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 \$130.9 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 \$7.0 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. The Compensatory Education grant which provided \$4.0 million to school districts in SFY 1991-92 is eliminated in this bill.

Finally, the passage of the bill would result in a revenue gain to the Commission on the Deaf and Hearing Impaired. The bill 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.