



# 131st MAINE LEGISLATURE

LD 1309

LR 1003(02)

## An Act to Clarify Requirements for Payment of Tuition for Children with Disabilities by the Department of Education's Child Development Services System

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

### Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
<b>Net Cost (Savings)</b>				
General Fund	\$12,181,440	\$9,928,960	\$9,928,960	\$9,928,960
<b>Appropriations/Allocations</b>				
General Fund	\$12,181,440	\$9,928,960	\$9,928,960	\$9,928,960

#### Fiscal Detail and Notes

This bill requires funding be provided to special purpose private schools for the educational component of the services provided to children with disabilities who have not attained 6 years of age. The Department of Education estimates the total cost of this provision to be \$21,000,000 in fiscal year 2023-24 and \$28,000,000 in fiscal year 2024-25. This estimate assumes that 600 children in fiscal year 2023-24 and 800 children in fiscal year 2024-25 will receive 3 hours of specifically designed instruction per day at a rate of \$175 for 5 days a week and 40 weeks per year.

According to the Department of Education, approximately 40% of the students receiving services at these schools are MaineCare eligible. Based on a MaineCare reimbursement rate of \$183.72 in fiscal year 2023-24 and \$282.36 in fiscal year 2024-25, it is estimated that MaineCare will reimburse \$8,818,560 and \$18,071,040 in fiscal years 2023-24 and 2024-25, respectively, thus reducing the total cost to the State to fund these services. This bill includes ongoing General Fund appropriations of \$12,181,440 in fiscal year 2023-24 and \$9,928,960 in fiscal year 2024-25 to the Child Development Services (CDS) program within the Department of Education for payments to special purpose private schools for the cost of the services that are not reimbursable by MaineCare.

This bill requires that, prior to the 2024-2025 school year, CDS must work with the special purpose private schools to establish a funding formula that provides appropriate daily tuition rates for the educational services provided and that payments to the schools based on the newly established tuition rates must begin in the 2024-2025 school year. The fiscal year 2024-25 General Fund appropriation included in this bill may need to be adjusted based on the new daily tuition rates.