

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -
2008**

COMMITTEE STATEMENT

LB1152

Hearing Date: February 19, 2008

Committee On: Education

Introducer(s): (Raikes)

Title: Provide for a special education allowance within the Tax Equity and Educational Opportunities Support Act

Roll Call Vote - Final Committee Action:

Placed on General File

Vote Results:

6	Yes	Senators Adams, Ashford, Avery, Howard, Johnson, Raikes
2	No	Senators Burling, Kopplin
0	Absent	
0	Present, not voting	

Proponents:

Senator Ron Raikes
Tom McBride

Representing:

Introducer
Epworth Village / Uta Halee Girls Village and Cooper Village

Opponents:

Representing:

Neutral:

Russ Inbody

Representing:

Nebraska Department of Education

Summary of purpose and/or change:

Legislative Bill 1152 would provide for a special education allowance in the state aid formula, require the Department of Education to approve rates for service agencies, allow the approved rates to include overhead and facility costs, and redefine excess cost to only subtract the districts average per pupil cost when students spend less than 25% of their day with their regular education peers.

A new section would provide for a special education allowance beginning with 2009-10. The allowance would equal 85% of the excess costs as defined in § 79-1119 for the most recently available complete data year.

Section 79-1003 would be amended by adding the special education allowance to the allowances subtracted to arrive at the adjusted general fund operating expenditures beginning with 2009-10. Special education receipts would also be excluded from the special receipts allowance beginning in 2009-10.

Section 79-1007.02 would be amended by adding the special education allowance to the calculation of formula need for each district.

Section 79-1001 would be amended by adding the special education allowance to the Tax Equity and Educational Opportunities Support Act.

A new section requires the Department of Education to annually approve rates for services provided by service agencies. For an agency that provides services in the agency's facilities, up to 5% of the approved rate could account for facility and overhead costs.

Section 79-1115 would redefine allowable costs beginning with 2008-09 to include approved special education costs for service agencies.

Section 79-1140 would be amended to require school districts to either pay the approved rate for services of a service agency or the cost as agreed upon pursuant to a contract with the agency. Currently, school districts are required to pay the agency's average per pupil cost or the cost agreed upon pursuant to a contract.

Section 79-1110 would be amended by adding the requirement for the department to approve rates to the Special Education Act.

Section 79-1119 would be amended by redefining excess costs to be the allowable costs minus the adjusted average per pupil cost for students who spend less than 25% of their educational day with their regular education peers. Currently, the definition does not limit the costs to allowable costs, the average per pupil cost is subtracted for all special education students, and the average per pupil cost to be subtracted is the cost for the district of residence for the student.

Explanation of amendments, if any:

Senator Ron Raikes, Chairperson