

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1423-01  
Bill No.: HB 836  
Subject: Children and Minors; Disabilities; Education, Elementary and Secondary  
Type: Original  
Date: April 4, 2011

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Bill Summary: This proposal requires the Division of Special Education (Department of Elementary and Secondary Education) to development a program to provide ombudsman services to children and families regarding special education programs and services.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(\$19,369,865)	(\$23,106,533)	(\$23,367,969)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$19,369,865)</b>	<b>(\$23,106,533)</b>	<b>(\$23,367,969)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
General Revenue	347 FTE	347 FTE	347 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>347 FTE</b>	<b>347 FTE</b>	<b>347 FTE</b>

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the Governor** state there should be no added cost to the Governor's Office as a result of this proposed legislation. If additional duties are placed on the office related to appointments in other Truly Agreed To and Finally Passed legislation, there may be the need for additional staff resources in future years.

In order to compute a fiscal impact, officials from the **Department of Elementary and Secondary Education (DESE)** have made the following assumptions:

1. Special education K-12 child count - 122,000 plus an additional 10,950 Early Childhood Special Education (ECSE) students.
  - a) 100% of these students will have one (1) IEP meeting per year (132,950 IEP meetings);
  - b) 25% of these students will have at least two (2) IEP meetings per year (33,238 IEP meetings);
  - c) 5% of these students will have at least three (3) IEP meeting per year (6,648 IEP meetings);
  - d) The minimum total annual IEP meetings to be attended by the ombudsman or "representatives from the program" are 172,836 IEP meetings.
2. An IEP meeting will typically last from 2 hours to 6 hours or more. If the assumption is made that the average IEP meeting will last a minimum of 3.0 hours, the ombudsman (or representative) would be required to attend 518,508 hours of IEP meetings annually, not including travel time.
3. Assuming one ombudsman (or representative) employed for 2,000 hours per year could devote 1,500 annual work hours to actual IEP meeting attendance (which is unlikely), it would take 346 FTE to be able to meet the proposed requirement as stated in §162.948.3. This number of FTE does not allow for any travel time from office to IEP meeting location, office time to address paperwork requirements, or time to perform the conflict resolution requirements of the bill. The actual number of staff to include support staff could be much higher to accomplish all required activity, scheduling, and day-to-day office functions required of a staff this size. These costs are not reflected in this estimate.

ASSUMPTION (continued)

4. The “representative from the program” other than the ombudsman would be a professional level position (minimum of a supervisor level) required for IEP participation and conflict resolution.
5. This program would have a single (1) ombudsman as the unit Director plus 346 FTE supervisor level staff to help complete the requirements of the bill.

**Oversight** has, for fiscal note purposes only, adjusted the salary and benefits of the director and supervisors to correspond with the range for the starting salary posted by DESE for a similar position.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>GENERAL REVENUE</b>			
<u>Cost - Department of Elementary and Secondary Education</u>			
Personal Services (347 FTE)	(\$11,418,000)	(\$13,838,616)	(\$13,977,002)
Fringe Benefits	\$5,976,181	(\$7,243,132)	(\$7,314,563)
Equipment and Expense	<u>(\$1,975,684)</u>	<u>(\$2,024,785)</u>	<u>(\$2,075,404)</u>
TOTAL COST - DESE	(\$19,369,865)	(\$23,106,533)	(\$23,367,969)
Estimated FTE Change - DESE - 347 FTE	347 FTE	347 FTE	347 FTE
<b><u>ESTIMATED NET EFFECT ON GENERAL REVENUE</u></b>			
	<b><u>(\$19,369,865)</u></b>	<b><u>(\$23,106,533)</u></b>	<b><u>(\$23,367,969)</u></b>
Estimated Net FTE Change to General Revenue	347 FTE	347 FTE	347 FTE
<u>FISCAL IMPACT - Local Government</u>			
	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

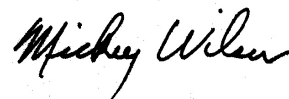
FISCAL DESCRIPTION

This proposal requires the Division of Special Education within the Department of Elementary and Secondary Education to develop and coordinate a program to provide ombudsman services to children and families regarding special education programs and services and to provide support to students with disabilities and their parents, guardians, and educators. The Governor must appoint a head ombudsman to serve as the director of the program. The program will provide information to families and educators about state and federal special education laws and services, act as a liaison between parents and schools, and help explore options to resolve conflicts. A representative of the program must be present at all individualized education plan meetings for special needs children, and the head ombudsman will have the final authority to resolve a disagreement in those meetings.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Office of the Governor



Mickey Wilson, CPA  
Director  
April 4, 2011