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FISCAL IMPACT REPORT

SPONSOR: Miera DATE TYPED: 2//10/03 HB HJM 11

SHORT TITLE: Fund Special Education Services in Schools SB _____

ANALYST: L. Baca

REVENUE

| Estimated Revenue | | Subsequent Years Impact | Recurring or Non-Rec | Fund Affected |
|-------------------|------|----------------------------|-------------------------|------------------|
| FY03 | FY04 | | | |
| | | Significant | Recurring | Federal |

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

Responses Received From

State Department of Education (SDE)

SUMMARY

Synopsis of Bill

House Joint Memorial requests that the President and Congress fully fund the federal government's share of special education services in public elementary and secondary schools in the United States under the federal Individuals with Disabilities Act (IDEA).

This HJM was introduced for the Legislative Education Study Committee.

Significant Issues

One of the federal government's major efforts to promote the delivery of services to special education students occurred in 1975, P.L. 94-142, the precursor to IDEA. The law imposed new requirements on states and promised to fund 40 percent of the national average per special education pupil cost as an incentive to the states to implement these new requirements. To date, the federal government funds less than 17 percent of the costs incurred to provide services to students with disabilities. HJM 11 requests that the federal government keep its word and provide the funding promised.

FISCAL IMPLICATIONS

The SDE estimates it would cost about \$18.0 billion to fund the federal share at 40 percent for the 2002-2003 school year. Funded at the 40 percent level, New Mexico would have received an additional \$158 million if IDEA had been funded at the 40 percent level.

OTHER SUBSTANTIVE ISSUES

Receiving additional federal funding for special education students does not ensure that state funds will be displaced and become available to provide services for other students. New Mexico has had one experience where federal dollars became available after the state had been delivering services and the federal statute required "maintenance of effort on the part of the states.

LRB/njw:sb