
OLR Bill Analysis

sSB 1244

AN ACT MAKING INVESTMENTS IN IN-DISTRICT SPECIAL EDUCATION.

SUMMARY

This bill requires the State Department of Education (SDE), by July 1, 2026, to develop a method for calculating the maximum tuition rates and related fees that a special education provider can charge to a local or regional board of education (i.e. a school board). Starting July 1, 2027, (1) SDE must establish and annually update a tuition rate and fee schedule based on the method and (2) any contract entered into or amended on or after this date between a school board and a private provider of special education services must use the tuition rate schedule.

School boards typically send students out of district to private special education providers when the student's needs, as determined through the special education evaluation resulting in an individualized education plan, require a more specialized or intensive level of services than the school district can provide in-district.

Beginning with FY 27, the bill creates a new competitive grant that can be used (1) to enhance and improve existing in-district specialized programming for students with disabilities or (2) for start-up costs for creating in-district or regional programming for students who are currently placed outside the district for special education services.

Additionally, the bill requires each school board, by June 30, 2026, and every five years after that, to do a review of its special education and related services spending. Each board must submit the resulting report to the education commissioner and make it available on the board's website. The review must (1) be on a form the education commissioner prescribes and (2) comply with the Family Educational

Rights and Privacy Act (FERPA) of 1974 (20 U.S.C. § 1232g). (FERPA is the federal law that generally protects the privacy of students' educational records and generally allows them to be shared only after the student or parents or guardian give permission.)

EFFECTIVE DATE: July 1, 2025

§§ 1 & 2 — SPECIAL EDUCATION TUITION RATE AND FEES

Methodology and Rate and Fee Schedule

By July 1, 2026, the bill requires SDE to develop a method for calculating the maximum tuition rates and related fees that a special education provider can charge to a school board. SDE must publish and make the method available on its website. Starting by July 1, 2027, SDE must set and annually update a tuition rate and fee schedule based on the methodology for calculating the maximum tuition rates and related fees.

Private Provider Contracts

The bill requires any contract entered into or amended on or after July 1, 2027, between a school board and a private special education services provider to use the tuition rate schedule set under the bill. Under current law, these contracts or agreements must include an explanation of how the tuition or costs for services provided under the agreement or contract are calculated.

By law, a “private provider of special education services” is any private school or private agency or institution, including a group home, that receives any state or local funds for providing special education services to any student with an individualized education program (IEP) or for whom an individual services plan was written by the school board responsible for educating the student.

§ 4 — NEW COMPETITIVE GRANT TO SUPPORT IN-DISTRICT OR REGIONAL SPECIAL EDUCATION PROGRAMS

Purpose

The bill creates a new competitive grant beginning with FY 27 that can be used (1) to enhance and improve existing in-district specialized

programming for students with disabilities or (2) for start-up costs for the creation of in-district or regional programming for these students who are currently placed outside the district for special education services. SDE administers the grant, which must be within available appropriations.

Application

The bill requires the grant application to include a description of:

1. the program location,
2. the student population who will be served,
3. the program staffing needs,
4. any needed assistive technology and materials,
5. any needed capital improvement,
6. the program budget allocation, and
7. any professional development necessary to implement the program.

Under the bill, a school board can submit a grant application on a form and in a way the education commissioner prescribes.

Criteria

The commissioner develops the criteria for reviewing and approving grants. The criteria must be based on (1) increasing students' access to high-quality general education instruction and (2) enhancing in-district or regional programming for students with intensive needs, including prioritizing applications with collaboration between multiple boards of education or between boards of education and regional education service centers.

Reporting Requirements

Annually, beginning by September 30, 2027, the bill requires any school board that has received a grant in the previous fiscal year to

submit a report to the commissioner that assesses the grant's impact on student outcomes and district expenditures. The report must also contain any information and data the commissioner requests.

Additionally, beginning December 31, 2027, SDE must annually submit a report on the program's progress to the Education Committee.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute Change of Reference - APP
Yea 32 Nay 11 (03/28/2025)

Appropriations Committee

Joint Favorable
Yea 45 Nay 9 (04/24/2025)