



Hundredth Legislature - First Session - 2007  
**Introducer's Statement of Intent**  
**LB 702**

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**Chairperson:** Ron Raikes  
**Committee:** Education  
**Date of Hearing:** February 13, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Legislative Bill 702 would revise Nebraska special education reimbursement to align it with federal law, by eliminating reimbursement differentiation based on the educational setting in which a child with special education needs is served.

On December 3, 2004, President Bush signed into law the Individuals with Disabilities Education (IDEA) Improvement Act of 2004, which reauthorizes the IDEA through 2011.

Nebraska must align with the Individuals with Disabilities Education (IDEA) Improvement Act of 2004 in order to continue receipt of federal funding for special education.

IDEA prohibits financial penalization of schools that seek to provide a free and appropriate education through multiple and diverse settings. It specifically prohibits state funding mechanisms that distribute funds on the basis of the type of setting in which a child is served if doing so results in provision of an education that will not meet the unique needs of the child.

Nebraska's special education funding currently distributes funds on the basis of setting, providing significantly reduced reimbursement to school districts for students who need more than 3 hours a week of special education or related services outside the regular classroom.

School districts are required to provide services in settings ranging from least to most restrictive, depending upon student need, and they are not currently provided reimbursement on an equal basis for students with individual needs that require at least partial non-inclusion. Underfunding school district special education costs due to the setting in which the child is served will result in education that does not meet the unique needs of the children involved.

LB 702 does not impact the level of state special education funding, but only the manner in which the state funding is distributed. LB 702 aligns Nebraska law with the new authorization of IDEA by prohibiting discrimination the basis of the type of setting in which children are served, whether in the regular classroom, in special classes, or in separate schools. It eliminates the discrimination based on a child's disability that is currently incorporated in Nebraska's state funding formula.

**Principal Introducer:**

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**Senator Tom White**