

SENATOR LANDIS: Thank you, Senator Bromm. Senator Dierks, followed by Senator Maurstad.

SENATOR DIERKS: Thank you, Mr. President, I'd like to ask Senator McKenzie a question, please.

SENATOR LANDIS: Senator McKenzie, would you respond to a question?

SENATOR MCKENZIE: Yes.

SENATOR LANDIS: Thank you, Senator Dierks, you may proceed.

SENATOR DIERKS: Senator McKenzie, I'd like to have you discuss a little bit more of the block grant issue and who will write those block grants, and how they affect the total funding picture for the individual schools like in your district and my district? Would you do that, please?

SENATOR MCKENZIE: Senator Dierks, I will do the best I can in a hypothetical situation. We are looking to a block grant which is not a grant that you have to write an application for, but is a certain amount of money, and let me use the example of Vermont because they've gone to a block grant approach. Instead of reimbursing for excess costs at the end of the year, the money coming the next year, school districts would be allocated a certain amount of money based on an average per pupil cost for that 75 percent of their special education population who is mildly handicapped, has mild learning disabilities, speech and language, autism, those kinds of areas. Then they allow for an additional average for 1 to 2 percent based on what the state average is or the district's average is for those high need students. So they have, the ones that are very expensive, so they have really two layers in there, and it comes to the school district at the beginning of the year instead of waiting to see how much you had to spend the year beyond that. Now Vermont also allows some money at the state level for an emergency fund. We had a student move into the district, we have...you know, in our block grant, in our funds, no way to provide these services and they allow that there is a mechanism like that so the district isn't hit with the cost for that student. However, currently if that student moves in, they are hit for that entire year and they get the money the following year, in many cases the student moves away, so they get the money the year after they don't need it. Now the block grant approach would come to