

## **Small Business Impact Statement**

Prior to adopting a new section or amendment, Section 4-168a of the Connecticut General Statutes (C.G.S.) requires that each state agency consider the effect of such action on small businesses as defined in C.G.S. Section 4-168a. When such regulatory action may have an adverse effect on small businesses, C.G.S. Section 4-168a directs the agency to consider regulatory requirements that will minimize the adverse impacts on small businesses if the addition of such requirements (1) will not interfere with the intended objectives of the regulatory action and (2) will allow the new section or amendment to remain consistent with public health, safety and welfare.

State Agency submitting proposed regulations: Department of Developmental Services (DDS)

Subject matter of Regulation: Early Intervention Services (Birth to Three System)

In accordance with C.G.S. Section 4-168a, staff analyzed the effect on small businesses of the proposed regulations and determined the following:

Check all appropriate boxes:

- ☒ The regulatory action will not have an effect on small businesses.
- ☐ The regulatory action will have an effect on small businesses, but will not have an adverse effect on such small businesses.
- ☐ The regulatory action may have an adverse effect on small businesses, and no alternative considered would be both as effective in achieving the purpose of the action and less burdensome to potentially effected small business. Alternatives considered include the following:
- (1) The establishment of less stringent compliance or reporting requirements for small businesses;
  - (2) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
  - (3) The consolidation or simplification of compliance or reporting requirements for small businesses;
  - (4) The establishment of performance standards for small businesses to replace design or operational standards required in the new section or amendment; and
  - (5) The exemption of small businesses from all or any part of the requirements contained in the new section or amendment.
- ☐ The regulatory action will have an adverse effect on small businesses that cannot be minimized in a manner that is consistent with public health, safety and welfare.

Has the State agency listed above notified the Department of Economic and Community Development of its intent to take the proposed action?

**No**

Has the State agency listed above completed the Agency Fiscal Estimate of Proposed Regulations?

**Yes**

## **AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION**

Agency Submitting Regulation: Department of Developmental Services (DDS) Date: November 1, 2013

Subject Matter of Regulation: Early Intervention Services for Infants and Toddlers and Their Families

Regulation Section No.: 17a-248-1 to 17a-248-14, inclusive Statutory Authority: Section 17a-248d(d).

Other Agencies Affected: None

Effective Date Used In Cost Estimate: July 1, 2014

Estimate Prepared By: Mary Fuller Telephone No.: 860 418-6163

## **SUMMARY OF COST AND REVENUE IMPACT OF PROPOSED REGULATION**

Agency: DDS Fund affected: 12192

|                                   | First Year FY15 | Second Year FY16 | Full Operation |
|-----------------------------------|-----------------|------------------|----------------|
| Number of Positions               | 0               | 0                | 0              |
| Personal Services                 | 0               | 0                | 0              |
| Other Expenses                    | 0               | 0                | 0              |
| Equipment                         | 0               | 0                | 0              |
| Grants                            | \$6,000         | \$6,300          | \$6,600        |
| Total State Cost or (Savings)     | 0               | 0                | 0              |
| Estimated Revenue Gain or (Loss)  | 0               | 0                | 0              |
| Total Net State Cost or (Savings) | \$6,000         | \$6,300          | \$6,600        |

**Explanation of State Impact:** Per a letter dated July 21, 2013 from the federal Office of Special Education Programs (OSEP), the Connecticut Birth to Three System cannot have a higher family contribution scale for parents who do not consent to use their insurance to pay for Part C services. The loss of the contributions paid by families on the higher scale is estimated to result in a \$500+ per month loss to the state.

What is not known, and thus not included in the fiscal note, is any additional loss in potential insurance revenue as a result of families not permitting insurance to be billed due to lack of incentive that the higher contribution scale has produced over the years and the adoption of a far lower co-payment schedule for those families that do not assign the right of recovery to DDS.

**Explanation of Municipal Impact:**

None

**Explanation of Small Business Impact:**

None

**Is a regulatory flexibility analysis required pursuant to C.G.S. 4-168a?**

No