



REVISED
FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0169

Date: April 12, 2016

Prime Sponsor(s): Rep. Pettersen

Bill Status: House Appropriations

Sen. Kerr

Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: ALTERNATIVE EDUCATION CAMPUS CRITERIA & PILOT PROGRAM

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	<u>\$51,444</u>	<u>\$53,155</u>
General Fund	43,896	45,115
Centrally Appropriated Costs	7,548	8,040
FTE Position Change	0.5 FTE	0.5 FTE
Appropriation Required:	\$43,896 - Colorado Department of Education (FY 2016-17)	
Future Year Impacts:	Ongoing expenditure impact.	

Summary of Legislation

Under current law, the State Board of Education (SBE) may designate a public school as an alternative education campus (AEC). An AEC is a public school with greater than ninety-five percent of its students meeting high-risk criteria. This bill, **as amended by the House Education Committee**, modifies the criteria for the designation of AECs by:

- lowering the threshold for AEC designation from 95 percent high-risk students to 90 percent high-risk students;
- substituting four absences in any one month, or ten absences in any given year, for the current high-risk criteria of failing to remain continuously enrolled and regularly attending school in the previous semester;
- expanding high-risk criteria to include students who are wards of the courts, are in foster care, or have experienced the loss of a parent or sibling; and
- redefining the meaning of behavioral health issues related to high-risk students in AECs.

The CDE is required to continue working with the interested stakeholders and interested AECs to find and develop effective methods to accurately measure qualitative aspects of an AEC's performance. This specific authority is repealed July 1, 2017.

State Expenditures

For FY 2016-17, the bill increases state expenditures in the CDE by \$51,444 and 0.5 FTE. For FY 2017-18, increased expenditures are \$53,155 and 0.5 FTE. New state expenditures are displayed in Table 1 and described below.

Table 1. Expenditures Under HB 16-1429		
Cost Components	FY 2016-17	FY 2017-18
Personal Services	\$41,069	\$44,640
FTE	0.5 FTE	0.5 FTE
Operating Expenses and Capital Outlay Costs	2,827	475
Centrally Appropriated Costs*	7,548	8,040
TOTAL	\$51,444	\$53,155

* Centrally appropriated costs are not included in the bill's appropriation.

Assumptions. This fiscal note assumes that the CDE will implement the bill beginning July 1, 2016. As such, FY 2016-17 personal services costs are adjusted for the General Fund pay day shift.

Personal Services. The CDE requires 0.5 FTE additional staff to implement the bill. Lowering the threshold for AEC designation from 95 percent high risk students to 90 percent high-risk students, in addition to other criteria modifications, is expected to increase the number of schools that will apply for and receive designation as an AEC. A preliminary estimate of the department staff necessary to support these additional AECs is 0.5 FTE; however, this fiscal note may be revised with additional information.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB 16-1429		
Cost Components	FY 2016-17	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$4,034	\$4,040
Supplemental Employee Retirement Payments	3,514	4,000
TOTAL	\$7,548	\$8,040

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2016-17, the bill requires a General Fund appropriation of \$43,896 and an allocation of 0.5 FTE to the Colorado Department of Education.

State and Local Government Contacts

Education