


 Colorado *Legislative Council Staff*
STATE and LOCAL
REVISED FISCAL IMPACT
 (replaces fiscal impact dated February 15, 2006)

Drafting Number: LLS 06-0518
Prime Sponsor(s): Sen. Tapia

Date: March 13, 2006
Bill Status: Senate Appropriations
Fiscal Analyst: David Porter (303 866-4375)

TITLE: CONCERNING THE AGE SPECIFICATIONS RELATING TO COMPULSORY SCHOOL ATTENDANCE.

Fiscal Impact Summary	FY 2006/07	FY 2007/08	FY 2008/09*
State Revenues			
State Expenditures			
General Fund		\$2,356,112	\$3,753,237
FTE Position Change	0.0 FTE	2.0	4.0 FTE
Effective Date: July 1, 2007.			
Appropriation Summary for FY 2006/07: None.			
School District Impact: \$1,222,028 in FY 2007-08 and \$600,005 in FY 2008-09 - School districts will be required to provide their share of funding for all students that otherwise would have dropped out. Additionally, school districts will need to follow through on truancy filings on a greater number of children.			

* FY 2008-09 expenditures are shown to indicate the increase in the Judicial Branch. School finance costs are included and are based on the estimated average per pupil funding amount (\$6,800) and state share amount (83%) for FY 2008-09.

This revised fiscal note reflects amendments adopted by the Senate Education Committee. Relevant to this fiscal note, the amendments raised the age of compulsory education to 18 and set the effective date to be July 1, 2007.

Summary of Legislation

Current law requires children to attend school from ages 7 through 15. SB06-073 changes the ages of compulsory education to children ages 6 to 18. The bill modifies several other related sections of the law to comply with the its age requirements. Additionally, the bill establishes the number of hours in a school year for kindergarten classes accordingly:

- 900 hours for a full-day kindergarten program; and
- 400 hours for a half-day kindergarten program.

State Expenditures

As SB06-073 is not effective in FY 2006-07, it will not require any state expenditures until FY 2007-08. Once effective, the bill will require total General Fund expenditures of \$2,356,112 and 2.0 FTE in FY 2007-08 and \$3,753,237 and 4.0 FTE in FY 2008-09. These costs result from court monitoring of truancy cases and the state's portion of school finance funding for the pupils that remain in school.

Department of Education. In FY 2007-08, the state is expected to incur \$2,172,493 in school finance costs as a result of SB06-073. This cost is based on the state share of pupil funding, estimated at 64%, for the 513 students discussed below.

Current law states that every public school shall be open for the admission of all children between the ages of 6 and 21 years. The average funding per pupil anticipated in FY 2007-08 is \$6,617 from General Fund public school finance monies. The amount of money provided to the districts is based on their student headcount in early October. Funding is provided for every student that is in school when the attendance numbers are determined.

Looking at the potential impact of compulsory education for 6-year-olds first, information on 6-year-old students shows an enrollment of 53,229 in FY 2005-06. This level of enrollment is comparable to other age groups (7- and 8-year-olds) and indicates that the majority of 6-year-old children are currently enrolled in a kindergarten program. This fiscal note anticipates that new enrollment of 6-year-old children will be minimal and will not lead to an increase in state expenditures.

At the other end of the age spectrum, it is difficult to determine the number of 16- and 17-year-old students that will be compelled to stay in school as a result of this bill. However, the students that remain in school who would have dropped out otherwise create additional state expenditures. Some research indicates that compulsory attendance laws reduce the number of potential dropouts. One study indicates that in 1980, compulsory laws kept 10% of potential dropouts in school. Recognizing this is a rough estimate from an older study, this fiscal note will apply this rule to our current student population. Additionally, roughly 25% of students recorded as dropouts are anticipated to return in the following year. This indicates that only 75% of the recorded dropouts are not receiving funding in the following year. Table 1 on page 3 applies these two concepts to the current population of student dropouts.

Table 1: Students Predicted to Remain in School			
Age	Dropouts	Dropouts who do not return	10% affected by bill
15*	1,938	1,453	
16	1,752	1,314	131
17	3,565	2,674	267
18	3,054	2,290	115**
Total Increase			513

* For information purposes only.

** Half of the 18-year-olds are anticipated to continue their education to complete the work already started.

Total funding for 513 students is \$3,394,521 (513 students * \$6,617 per student = \$3,394,521). The state share of this amount is anticipated to be 64%, yielding state costs of \$2,172,493 (0.64 * \$3,394,521 = \$2,172,493). It should be noted that these estimates use current school dropout rates as a surrogate for actual dropouts. Students who are counted as dropouts could be enrolling in a private school or home schooling. Additionally, there may be students who are not in the dropout data due to other circumstances but may return to public school as a result of this bill.

Judicial Branch. The Judicial Branch does not incur any expenditures in FY 2006-07 but has costs of \$183,619 and 2.0 FTE in FY 2007-08 and \$223,797 and 4.0 FTE thereafter. Making school attendance compulsory for 16- and 17-year-olds will impact the court system through truancy filings. The number of new truancy cases filed with the court is not expected to cause a significant impact. However, the change in the maximum age results in an increase in the length of time chronically truant cases will be under the jurisdiction of the court. Cases of this nature are typically considered closed once the student reaches the age of 16. With this bill, these cases will remain open for another two years. It is estimated that 20 percent of truancy cases are of this nature. The following calculations show the annual impact on the Judicial Branch from one age group (i.e. the impact of the 16-year-olds only):

- 2,080 truant cases * 20% = 416 cases requiring review;
- 416 cases * 8 review hearings per case = 3,328 hearings;
- 3,328 hearings * 20 minutes per hearing = 66,560 minutes or 1,109 hours of magistrate work;
- 1,109 hours / 2,080 hours per FTE = 0.5 Magistrate FTE (rounded); and
- 1.5 FTE court staff to support the work of the magistrate.

The full impact of the bill will not be realized until the second fiscal year of enactment (FY 2008-09) when the first group of chronically truant children have been in the system for two years. Including the two age groups specified by the bill, the 16- and 17-year-olds, doubles the amount of staff needed by the Judicial Branch (4.0 FTE).

