

**STATE and LOCAL  
FISCAL IMPACT**

**Drafting Number:** LLS 11-0475  
**Prime Sponsor(s):** Rep. Ramirez  
 Sen. King K.

**Date:** February 14, 2011  
**Bill Status:** House Education  
**Fiscal Analyst:** Jonathan Senft (303-866-3523)

**TITLE:** CONCERNING DISQUALIFICATION FROM SCHOOL EMPLOYMENT FOR CONVICTION OF CERTAIN OFFENSES, AND, IN CONNECTION THEREWITH, ENACTING THE "FELON-FREE SCHOOLS ACT OF 2011".

<b>Fiscal Impact Summary</b>	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>
<b>State Revenue</b>		
<b>State Expenditures</b>		
Cash Funds		
Educator Licensure Cash Fund	\$81,440	\$76,737
<b>FTE Position Change</b>	1.0 FTE	1.0 FTE
<b>Effective Date:</b> August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
<b>Appropriation Summary for FY 2010-2011:</b> See State Appropriations section.		
<b>School District Impact:</b> See School District Impact section.		

**Summary of Legislation**

Under current law, applicants for nonlicensed positions at public schools must submit fingerprints for a background check and certify that they have never been convicted of a felony or misdemeanor other than a traffic offense. Or, if the person has been convicted of a felony or misdemeanor, the applicant must specify the felony or misdemeanor for which he or she was convicted and other related information. While this information must be disclosed, current law does not specify misdemeanors or felonies that constitute grounds for dismissal or application rejection for these nonlicensed employees.

This bill specifies grounds for dismissal or application rejection of nonlicensed positions. This change aligns the requirements placed on nonlicensed personnel with the requirements of licensed positions. Additionally, the bill requires denial or revocation of licenses for licensed professionals who have been convicted of a felony drug offense.

**State Expenditures**

**Total cash funds expenditures under HB11-1121 are \$81,440 and 1.0 FTE in FY 2011-12 and \$76,737 and 1.0 FTE in FY 2012-13.** Expenditures are within the Colorado Department of Education (CDE) and the Department of Law and are due to the addition of felony drug offenses for denial or revocation of a license. Costs are paid from the Educator Licensure Fund. Currently, the fund has a sufficient balance to cover the costs of the bill. However, licensure fee increases may be necessary if costs are higher than anticipated. Cost components are displayed in Table 1 and discussed below.

<b>Cost Components</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
Personal Services (CDE)	\$72,378	\$68,145
<i>FTE</i>	<i>0.9</i>	<i>0.9</i>
Personal Services (Law)	9,062	8,592
<i>FTE</i>	<i>0.1</i>	<i>0.1</i>
<b>TOTAL</b>	<b>\$81,440</b>	<b>\$76,737</b>

***Department of Education (\$72,378 and 0.9 FTE).*** The CDE is responsible for denying and revoking licenses due to felony drug offenses. This figure includes costs of the Charter School Institute. Since grounds for license denial or revocation are retroactive, cases in which the department is required to take action on a license require a search of an applicant or license holder's past records. This generates the need for 0.9 FTE to help the current investigator process disputed cases involving felony drug offenses.

***Department of Law (\$9,062 and 0.1 FTE).*** An anticipated 15 cases are expected to require 10 hours of legal services each, for an annual requirement of 150 hours total. The Department of Law requires 0.1 FTE to provide CDE with additional legal services hours.

**Expenditures Not Included**

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 summarized in Table 2.

<b>Table 2. Expenditures Not Included Under HB11-1121*</b>		
<b>Cost Components</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$7,100	\$7,100
Supplemental Employee Retirement Payments	3,430	3,430
Indirect Costs	0	0
Workers Compensation and Risk Management	0	0
<b>TOTAL</b>	<b>\$10,530</b>	<b>\$10,530</b>

\*More information is available at: <http://colorado.gov/fiscalnotes>

### **School District Impact**

School districts will be required to terminate some employees under circumstances that were permissive in the past. The number of terminations that the school districts will need to take is unknown, but the districts may incur some costs related to dismissing and replacing personnel. Costs to dismiss personnel are estimated to be \$50,000 per person.

### **State Appropriations**

For FY 2011-12, the Department of Education requires a cash funds appropriation of \$72,378 and 0.9 FTE from the Educator Licensure Cash Fund. From this amount, the Department of Law requires \$9,062 in reappropriated funds and 0.1 FTE.

### **Departments Contacted**

Education          Judicial          Public Safety