

**STATE and LOCAL
REVISED FISCAL IMPACT**

(replaces fiscal note dated February 14, 2011)

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

Date: March 1, 2011
Bill Status: House Appropriations
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".

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures		
Cash Funds		
Educator Licensure Cash Fund	\$83,383	\$79,150
FTE Position Change	0.9 FTE	0.9 FTE
Effective Date: August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2010-2011: See State Appropriations section.		
School District Impact: 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, **as amended by the House Education Committee**, 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 within the last five years. The amended bill also treats a plea of *Nolo Contendere* in a similar manner as a conviction.

State Expenditures

Total cash funds expenditures under HB11-1121 are \$83,383 and 0.9 FTE in FY 2011-12 and \$79,150 and 0.9 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 within the last five years for denial or revocation of a license. These 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.

Table 1. Expenditures under HB11-1121		
Cost Components	FY 2011-12	FY 2012-13
Personal Services (CDE)	\$72,378	\$68,145
<i>FTE</i>	<i>0.9</i>	<i>0.9</i>
Legal Services (150 hours)	11,005	11,005
TOTAL	\$83,383	\$79,150

Department of Education (\$83,383 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 (\$11,005). An anticipated 15 cases are expected to require 10 hours of legal services each, for an annual requirement of 150 hours total.

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.

Table 2. Expenditures Not Included Under HB11-1121*		
Cost Components	FY 2011-12	FY 2012-13
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$6,390	\$6,390
Supplemental Employee Retirement Payments	3,430	3,588
TOTAL	\$9,820	\$9,978

*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 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 \$83,383 and 0.9 FTE from the Educator Licensure Cash Fund. From this amount, \$11,005 is reappropriated to the Department of Law.

Departments Contacted

Education Judicial Public Safety