

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 11-0506
Prime Sponsor(s): Rep. Beezley

Date: February 3, 2011
Bill Status: House Education
Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING FACILITIES FOR USE BY CHARTER SCHOOLS.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
State Expenditures		
Cash Funds		
Public School Capital Construction Assistance Fund	\$18,283	\$18,283
FTE Position Change	0.2 FTE	0.2 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 2011-2012: See State Appropriations section.		
School District Impact: See School District Impact section.		

Summary of Legislation

This bill creates an avenue of appeal to the Colorado Department of Education (CDE) in the event a district charter school is denied access to a vacant facility or land owned by a school district. If the CDE deems the facility suitable after review, the district must provide the facility to the charter school rent free.

Also under this bill, an institute charter school that wishes to occupy any vacant state-owned building or land must be provided it rent free. This bill also extends the appellate process to institute charter schools for all vacant state agency owned facilities and land.

Background

There are approximately 20 vacant school buildings in 6 Colorado school districts. In addition, there are 47 vacant state agency facilities, however it is unknown if any are suitable for educational purposes.

Each year, Colorado certifies approximately ten new charter schools; some finance their own facilities, some reach agreements with school districts to occupy vacant facilities, and some are online. Charter schools may negotiate permission to occupy these facilities, but a school district is not required to provide a vacant building to a charter school. This bill creates process in which the charter school can appeal.

State Expenditures

In both FY 2011-12 and FY 2012-13, expenditures for this bill are \$18,283 and 0.2 FTE. These expenditures are calculated for staff to inspect and assess the suitability of facilities. In some circumstances, outside consulting may be necessary for a large and complicated assessment. In the event additional consultancy is necessary, the expected cost is \$9,600 per inspection.

Department staff will spend up to five days per evaluation to perform the functions outlined in the bill. This includes two on-site days at the facility and three additional days for research and preparation of the evaluation. Total expenditures are detailed in Table 1.

Cost Components	FY 2011-12	FY 2012-13
Personal Services	\$15,143	\$15,143
FTE	0.2	0.2
Travel	3,140	3,140
Total	\$18,283	\$18,283

School District Impact

There is a potential for school districts to be impacted by this legislation if operations and maintenance costs for the vacant facilities are alleviated through negotiation with the building's owner. In some cases, school districts may negotiate maintenance costs and depreciation values into contracts with charter schools. In these cases, a small amount of savings may be available.

State Appropriations

In FY 2011-12, this bill requires an appropriation of \$18,283 from the Public School Capital Construction Assistance Fund and 0.2 FTE to the Colorado Department Education.

Departments Contacted

Education Law Personnel