

**STATE and LOCAL  
FISCAL IMPACT**

**Drafting Number:** LLS 11-0352  
**Prime Sponsor(s):** Rep. Massey; Solano  
 Sen. Bacon

**Date:** March 23, 2011  
**Bill Status:** House Education  
**Fiscal Analyst:** Josh Abram (303-866-3561)

**TITLE:** CONCERNING STATUTORY CHANGES INVOLVING K-12 EDUCATION.

<b>Fiscal Impact Summary</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>
<b>State Revenue</b>		
<b>State Expenditures</b>		
General Fund	(\$35,173)	(\$35,173)
<b>FTE Position Change</b>	(0.2 FTE)	(0.2 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, except that Section 22-20-202(5)(a), as amended, shall take effect only if HB11-1077 is enacted and becomes law, and shall take effect either upon the effective date of this bill, or upon the effective date of HB11-1077, whichever is later.		
<b>Appropriation Summary for FY 2011-2012:</b> See State Appropriations section.		
<b>School District Impact:</b> See School District Impact section.		

**Summary of Legislation**

This omnibus bill addresses several areas of statute governing K-12 education. Beginning September 1, 2011, the General Assembly and the State Board of Education are prohibited from imposing on a school district any new mandate, or requiring an increase in the level of service for an existing mandate, unless additional moneys are also provided to reimburse the district for the increased cost. If no new monies are provided, the new mandate or increase in service is optional. If a bill is introduced that imposes a new mandate or requires an increase in service, each affected school district has seven days following the bill's introduction to submit to Legislative Council Staff a brief summary of the fiscal impact. Any summary received by staff is to be provided in addition to the fiscal note for the bill.

Additionally, this bill:

- permits an alternative education campus to serve additional high risk students;
- requires that the Colorado Department of Education (CDE) provide data on student longitudinal growth to individual schools within 10 days of providing student growth data to the district;
- allows, rather than requires, that the Commissioner of Education appoint and convene a State Review Panel when enforcing provisions of school accountability;

- allows a school district with fewer than 1,000 students to submit a single performance plan, instead of separate plans for each school and for the district;
- expands the ways that schools can qualify for the Governor's Distinguished Improvement Awards;
- amends Colorado's Exceptional Children's Education Act to conform with local practice and with the federal Individuals with Disabilities in Education act; and
- changes the School Counselor Corps Grant Program reporting deadline from April to May.

The bill makes several changes to the accreditation, certification, and reporting requirements of online education programs. Notably, the bill removes the requirement that district authorizers of online schools annually report to the Division of Online Learning in the CDE. The bill also removes the requirement that the division compile and prepare a summary report of these annual reports, and further eliminates the division's authority to conduct reviews of multi-district online programs. In place of existing reporting deadlines, the bill requires the division to report to the State Board of Education and the education committees of the General Assembly every 5 years, instead of annually.

### **State Expenditures**

*This bill reduces state expenditures in the Division of Online Education in the Colorado Department of Education by \$35,173 and 0.2 FTE in both FY 2011-12 and FY 2012-13.* The bill will reduce the need for staff in the division to review certifications of online schools. This reduction equates to a total of 0.2 FTE at an annual cost of \$14,173. Additionally, the annual summary report of online education programs is currently prepared by an outside vendor using information supplied by the online schools. This contract has an annual cost of about \$21,000. By removing the requirement that the division collect and summarize this information for the General Assembly, this vendor cost is also eliminated.

The bill modifies the process for obtaining information used to prepare fiscal notes whenever legislation considered by the General Assembly has potential to create fiscal impacts for school districts. The modifications to the fiscal note process are not anticipated to create additional costs for Legislative Council Staff or for the CDE, and no additional appropriation is needed to implement this provision.

### **School District Impact**

After September 1, 2011, local school districts will have discretion over implementing any new mandate or required increase in services, if no additional money is provided by the state to reimburse the added cost of the new mandate or increased service. For some districts, opting not to implement the mandate or increase the services will preclude these additional costs.

For districts with fewer than 1,000 students, and for districts that authorize online schools, there will be minor cost savings and administrative efficiencies as a result of removing certain reporting requirements. The remaining provisions of this bill are not anticipated to have an impact on local school district expenses.

**State Appropriations**

In FY 2011-12, this bill reduces appropriations by \$35,173 General Fund and 0.2 FTE to the Colorado Department of Education.

**Departments Contacted**

Education

Human Services

Public Health & Environment