

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING EFFECTIVE EDUCATORS IN LOW-PERFORMING, HIGH-NEEDS SCHOOLS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Representative Solano
Senator Bacon

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Summary of Amendments Made to the Bill After the 05/04/12 Legislative Council Staff Revised Fiscal Note Was Prepared

None.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Amendments/Appropriation Status

The bill includes an appropriation clause that reflects the cost of the introduced bill. As introduced, the bill provided annual stipends of \$1,600 to all National Board certified teachers and principals teaching in Colorado and an additional \$3,200 per year to any such teachers and principals working in low-performing, high needs schools (as defined in the bill). The Senate Education Committee amended the bill to provide stipends of \$4,800 per year *only to teachers and principals in low-performing, high-needs schools*. Eliminating the stipends for teachers and principals in other schools reduces the cost of the bill from an estimated \$1,659,200 to \$604,800 in FY 2012-13.

Staff has prepared amendment **J.004** (attached) to change the existing appropriation clause to provide \$604,800 cash funds from the State Education Fund to the Department of Education in FY 2012-13 to support the stipends created by the bill.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

As amended by the Senate Education Committee, this bill increases annual appropriations from the State Education Fund (SEF) by \$604,800 in FY 2012-13 and by \$705,600 in FY 2013-14, thereby exacerbating the need for General Fund transfers to the SEF to support existing appropriations, and

reducing the SEF balance available for future fiscal years. The JBC budget package was designed to result in an SEF balance of \$100 million at the end of FY 2012-13. As detailed in the following table, if those bills that include SEF appropriations (including this bill) become law in their current form, the SEF balance at the end of FY 2012-13 will be reduced to \$89.4 million.

TABLE 1 State Education Fund (SEF): FY 2012-13 Projected Revenues and Expenditures		
Description/ Bill	Status	Amount
Revenues		
Beginning fund balance		\$121,215,395
H.B. 12-1338 (Transfer of excess General Fund reserve to SEF)	Sent to GOV	59,000,000
Estimated General Fund revenues directed to SEF pursuant to Amendment 23		399,900,000
Estimated interest earnings		<u>2,332,350</u>
Total funds projected to be available		582,447,745
Expenditures		
H.B. 12-1335 (FY 2012-13 Long Bill)	Sent to GOV	(482,411,237)
<i>Other Pending Legislation Containing SEF Appropriations:</i>		
S.B. 12-047 (Basic Skills Testing in High School)	House APP	(1,000,000)
H.B. 12-1238 (Ensuring K-12 Literacy Education)	Senate 3rd	(120,418)
H.B. 12-1261 (Effective Educators in Low Performing Schools)	Senate APP	(604,800)
H.B. 12-1345 (Financing of Public Schools)	Senate APP	<u>(8,879,120)</u>
Total expenditures <i>should all of the above bills be enacted in current form</i>		(493,015,575)
Preliminary Ending Fund Balance		89,432,170
H.B. 12-1338 (Transfer of excess General Fund reserve to SEF)	Sent to GOV	<u>0</u>
Projected Ending Fund Balance		\$89,432,170