

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING LITERACY EDUCATION FOR STUDENTS ENROLLED IN KINDERGARTEN THROUGH THIRD GRADE, AND, IN CONNECTION THEREWITH, CREATING THE "COLORADO EARLY LITERACY ACT".

Prime Sponsors: Reps. Massey and Hamner  
Sens. Johnston and Spence

JBC Analyst: Craig Harper  
Phone: 303-866-2061  
Date Prepared: March 13, 2012

**Summary of Amendments Made to the Bill After the 02/29/12 Legislative Council Staff Fiscal Note Was Prepared (Amended by the House Education Committee 03/12/12)**

The House Education Committee Report dated 3/12/12 strikes language in the introduced bill that would allow the General Assembly to support district per pupil reimbursements for juveniles held in jail with resources from the Early Literacy Fund created by the bill. Under current law, those expenses (estimated at a total of \$120,046 in FY 2012-13) are supported with appropriations from the Read-to-Achieve Cash Fund. Because H.B. 12-1238 repeals the Read-to-Achieve Cash Fund and the Committee Report eliminates the ability to use the Early Literacy Fund for this purpose, the House Education Committee Report requires the use of General Fund to support the reimbursements.

Legislative Council Staff and Joint Budget Committee Staff agree that the House Education Committee Report requires an appropriation of \$120,046 General Fund in FY 2012-13 to support these reimbursements.

In addition, the Education Committee Report makes a variety of technical and clarifying changes to the bill. Legislative Council Staff and Joint Budget Committee Staff agree that the additional changes do not alter the fiscal impact of the bill as discussed in the Legislative Council Staff Fiscal Note dated 2/29/12.

**JBC Staff Concurrence with Legislative Council Staff Fiscal Note**

Concurs

Does Not Concur

Updated Analysis

**Reason for the Update**

Staff has updated the fiscal impact contained in the Legislative Council Staff Fiscal Note dated 2/29/12 to: (1) include the fiscal impact of the House Education Committee Report, requiring an additional appropriation of \$120,046 General Fund in FY 2012-13 (discussed above); and (2) adjust the FY 2012-13 Long Bill to eliminate \$5,362,562 in anticipated appropriations from the Read-to-Achieve Cash Fund, which is repealed by the bill.

**Amendments/Appropriation Status**

The bill requires but does not contain an appropriation clause. Staff has prepared amendment **J.002** (attached) to add a provision appropriating:

- a total of \$5,411,989 cash funds from the Early Literacy Fund and 9.8 FTE to the Department of Education to implement the bill, as discussed in the Legislative Council Staff Fiscal Note dated February 29, 2012;
- \$20,046 General Fund for administrative expenses associated with district per pupil reimbursements for juveniles held in jail; and
- \$100,000 General Fund for district per pupil reimbursements for juveniles held in jail.

In addition, amendment J.002 includes a provision adjusting the FY 2012-13 Long Bill to eliminate the following cash funds appropriations from the Read-to-Achieve Cash Fund:

- \$20,046 and 0.2 FTE for administrative expenses associated with district per pupil reimbursements for juveniles held in jail;
- \$100,000 for district per pupil reimbursements for juveniles held in jail; and
- \$5,242,516 and 1.0 FTE for the Read-to-Achieve Grant Program.

**Bill Sponsor Amendments**

Sponsor amendment **L.014** (attached) would amend the House Education Committee Report to authorize the use of funds in the Early Literacy Fund for district per pupil reimbursements for juveniles held in jail. Sponsor amendment L.014 eliminates the General Fund impact of the House Education Committee Report (discussed above).

Staff has prepared amendment **J.003** (attached) to provide the following cash fund appropriations from the Early Literacy Fund to the Department of Education in FY 2012-13:

- \$5,291,943 and 9.8 FTE for the implementation of the bill, including personal services, operating expenses, and grants;
- \$20,046 and 0.2 FTE for administrative expenses associated with district per pupil reimbursements for juveniles held in jail; and
- \$100,000 for district per pupil reimbursements for juveniles held in jail.

Like amendment J.002 (discussed above), amendment J.003 also adjusts the FY 2012-13 Long Bill to eliminate anticipated appropriations from the Read-to-Achieve Cash Fund.

**If the Committee adopts sponsor amendment L.014 it should adopt amendment J.003 but should not adopt amendment J.002.**

**Points to Consider**

The general appropriations bill for FY 2012-13 has not yet been introduced. As amended by the House Education Committee, this bill requires a General Fund appropriation of \$120,046 for FY 2012-13, reducing the amount of General Fund available for other existing programs