

**LOCAL
FISCAL IMPACT**

Drafting Number: LLS 12-0252
Prime Sponsor(s): Sen. Hudak
 Rep. Holbert

Date: January 26, 2012
Bill Status: Senate Education
Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING REQUIREMENTS PERTAINING TO THE CORPORATE STATUS OF CHARTER SCHOOLS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: August 7, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: None required		
School District Impact: See School District Impact section.		

Summary of Legislation

Effective July 1, 2013, this bill requires that all charter schools be organized as a nonprofit corporation and prohibits a local board of education or the state Charter School Institute from authorizing a charter with a for-profit entity, or entering into a charter contract directly with a for-profit entity.

School District Impact

For any existing charter school that is not organized as a nonprofit under the Colorado Nonprofit Corporation Act (Articles 121-127, Title 7, C.R.S.), there will be one-time expenses for attorneys to draft articles of incorporation, file the articles with the Colorado Secretary of State, develop corporate by-laws, and pay all associated fees. This fiscal note assumes that all costs to incorporate will be borne by the charter school, and there will be no additional costs to school districts or to the state.

Pursuant to Section 22-32-143, C.R.S., as specified by House Bill 11-1277, school districts and Boards of Cooperative Educational Services (BOCES) may submit estimates of fiscal impacts within seven days of a bill's introduction. As of the date of this fiscal note, no summaries of fiscal impacts were submitted by districts or BOCES for this bill. If summaries of fiscal impacts are submitted by districts or BOCES in the future, they will be noted in subsequent revisions to the fiscal note and posted at this address: <http://www.colorado.gov/lcs>

Departments Contacted

Education

Law