

  
*Colorado Legislative Council Staff Fiscal Note*  
**LOCAL**  
**FISCAL IMPACT**

**Drafting Number:** LLS 12-0227  
**Prime Sponsor(s):** Sen. King K.  
 Rep. Massey

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

**TITLE:** CONCERNING PROCEDURES RELATING TO THE AUTHORIZATION OF CHARTER SCHOOLS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
<b>State Revenue</b>		
<b>State Expenditures</b>		
<b>FTE Position Change</b>		
<b>Effective Date:</b> The bill takes effect upon signature of the Governor, or on taking effect without his signature.		
<b>Appropriation Summary for FY 2012-2013:</b> None required.		
<b>School District Impact:</b> See School District Impact section		

**Summary of Legislation**

This bill repeals and reenacts sections of law related to the minimum elements of charter school applications, the deadlines for filing applications and authorizing new charters, the review and renewal of charters, and the process by which an authorizer may revoke a charter. Authorizers of charter schools are local school district boards of education and the state Charter School Institute.

Some of the new requirements for charter school applications include:

- showing evidence of proper insurance coverage;
- a statement of any plans to include food services;
- a facilities plan;
- discipline policies; and
- plans for serving special needs and at-risk students.

A charter school's initial period of operation is increased from 3 to 5 years. At least annually, the authorizer and charter school must jointly review the school's academic performance and most recent financial audit. If, under the state's education accountability laws, a charter school is required to implement a turnaround plan for 2 consecutive years, the school must provide evidence to the authorizer that the school is making sufficient improvement. If the authorizer finds that evidence is not sufficient, or if the charter school is required to implement a turnaround for 4 consecutive years, the authorizer may revoke the charter.

Charter school authorizers must adopt procedures and time lines for the review and renewal process, and adopt a policy for closing a charter school following revocation or nonrenewal of a charter.

### **School District Impact**

School districts that have not codified a policy for the review and renewal process, have no established policies for nonrenewal or revoking a charter, or fail to review a charter at least annually, must now do so under this bill. This bill will require increased work for districts that have not formalized a process and procedures for authorization and review of charters. Administrative costs are minimal and can be met with current levels of school finance funding.

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