

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 13-0312
Prime Sponsor(s): Sen. Hudak
 Rep. Hamner

Date: January 10, 2013
Bill Status: Senate Education
Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING THE DESIGNATION OF BOARDS OF COOPERATIVE SERVICES AS LOCAL EDUCATION AGENCIES FOR PURPOSES OF FEDERAL LAW.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: None required.		
School District Impact: Possible cost saving. See School District Impact section.		

Summary of Legislation

This bill allows a board of cooperative educational services (BOCES) to act as a local education agency (LEA) for the purpose of applying for and receiving state or federal grant money. A LEA is a federal designation for the administrative unit responsible for receiving grant awards, typically a school district.

A BOCES may apply for grant funding with the approval of two or more of its participating member school districts. All divisions in the Colorado Department of Education (CDE) must inform BOCES of all grant opportunities administered by the department and permit them to apply.

State Expenditures

Managing grants impacts several divisions in the CDE, such as the offices of federal grants, accounting, public school finance, and information technology. Under existing law, only school districts and the state Charter School Institute are LEAs. This bill specifies that any BOCES may also be an LEA for competitive state or federal grants, which may expand the pool of applications for grant money; however, no immediate increase in grant applications or awards is anticipated.

The CDE collects data and monitors state grants made to an LEA. In order to prepare for monitoring and reporting duties, the CDE may have slightly increased implementation costs to adjust data systems to accommodate up to 19 new LEAs. Once a BOCES wins a competitive state grant as an LEA, the CDE will collect additional information and monitor the BOCES in the same way it monitors any LEA.

School District Impact

Under current law, BOCES may act as the fiscal agent for grants received by their member districts, but may not receive the grant award directly. This bill allows the BOCES to act as the LEA, thus permitting them to receive grant awards for their member districts, and possibly saving time and resources currently spent invoicing districts requesting the grant funds received by district applicants. The BOCES' authority to apply directly for federal or state grants is not anticipated to increase the total number of grant applications made, or the total amount of grant awards received by school districts in Colorado.

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