

Colorado Legislative Council Staff Fiscal Note



STATE and LOCAL FISCAL IMPACT

Drafting Number: LLS 14-0526
Prime Sponsor(s): Rep. Peniston
 Sen. Kerr

Date: February 3, 2014
Bill Status: House Education
Fiscal Analyst: Josh Abram (303-866-3561)

SHORT TITLE: GIFTED EDUCATION PROGRAMS

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	<u>\$894,147</u>	<u>\$879,081</u>
State Education Fund	876,538	860,482
Centrally Appropriated Costs**	17,609	18,599
FTE Position Change	2.0 FTE	2.0 FTE
Appropriation Required: \$876,538 - Colorado Department of Education (FY 2014-15)		

* This summary shows changes from current law under the bill for each fiscal year.

** These costs are not included in the bill's appropriation. See the State Expenditures section for more information.

Summary of Legislation

This bill makes clarifications and adds specificity to statutes concerning the education of gifted students and the requirements for gifted education programs in public K-12 schools.

Under current law, each administrative unit (i.e., school districts, Boards of Cooperative Educational Services (BOCES), and the state Charter School Institute (CSI)), must adopt and implement a plan to identify and serve gifted children. The plan must satisfy criteria established by State Board of Education (SBE) rules and be consistent with the gifted student's learning plan; however, the administrative unit need only satisfy these requirements if sufficient moneys are provided for implementation.

This bill requires that each administrative unit adopt a gifted education program that can be implemented within the local, state, and federal moneys or resources available. An administrative unit cannot refuse state or federal moneys for implementing a program plan. A district's program plan must be submitted to the Colorado Department of Education (CDE) ensuring, among other things, procedures for assessing and identifying gifted students using a team; preparation of academic plans; collecting, maintaining and reporting data; and, providing appropriate opportunities for concurrent enrollment.

No later than August 1, 2017, each administrative unit must employ at least one qualified person in gifted education to administer gifted programs and implement the program plan. Each administrative unit must conduct a screening of all enrolled students no later than second grade to identify gifted children, and a second screening of gifted children in conjunction with the creation of the student's individualized career and academic plan (ICAP). The General Assembly is required to appropriate moneys to offset the costs incurred by administrative units to conduct initial and follow-up screening.

The SBE is required to update and expand rules for gifted education programs. The rules must include procedures for assessing students for advanced aptitude, collecting data, creating advanced learning plans (ALPs), ensuring the portability of a student's learning plan to other districts, and ensuring accountability for district program budgets and expenditures.

The bill also codifies the State Gifted Education Advisory Committee, modifies the committee's composition, and permits the members to receive reimbursements for expenses.

State Expenditures

For FY 2014-15, this bill increases state expenditures by \$894,147 and 2.0 FTE. For FY 2015-16, increased state expenditures are \$879,081 and 2.0 FTE. Cost components are displayed in Table 1 and described below.

Table 1. Expenditures Under HB 14-1102		
Cost Components	FY 2014-15	FY 2015-16
Personal Services	\$122,760	\$122,760
FTE	2.0	2.0
Operating Expenses and Capital Outlay Costs	11,306	1,900
Rule Making Stakeholder Meetings	6,650	-
Advisory Committee Meetings	14,000	14,000
Gifted Student Screening/Assessment	721,822	721,822
Centrally Appropriated Costs*	17,609	18,599
TOTAL	\$894,147	\$879,081

** Centrally appropriated costs are not included in the bill's appropriation.*

Program administration. The CDE must assist the SBE in adopting additional rules, which requires statewide stakeholder collaboration and public meetings. New rules for early screening of students, program accountability, and other required program enhancements will demand additional professional development and technical assistance provided by the department to school districts and BOCES. The department will also have expenses to reimburse the Gifted Education Advisory Committee, and to provide funding to districts for screening and assessment of gifted students. The CDE requires the addition of a senior consultant and administrative program support totaling 2.0 FTE to administer the increased requirements.

Gifted student screening. The bill requires that the state provide funding to schools to conduct an initial screening of all students no later than second grade, and for follow up screening for students who are identified as gifted when the district prepares the student's ICAP. It is estimated that each screening costs \$10, and that the state will screen about 67,460 second graders annually. Of these students, approximately seven percent, or about 4,722 students, will be identified as gifted and will require additional screening when preparing ICAPs, typically in the seventh grade. The total combined cost for screening for gifted students is \$721,822 each year.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB 14-1102*		
Cost Components	FY 2014-15	FY 2015-16
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$9,084	\$9,084
Supplemental Employee Retirement Payments	8,525	9,515
TOTAL	\$17,609	\$18,599

*More information is available at: <http://colorado.gov/fiscalnotes>

School District Impact

Most school districts and BOCES have a program plan for serving gifted students; however, all districts will have increased workload to update existing program plans to include provisions meeting rules adopted by the SBE. Specifically, the districts will have increased workload to administer screening for gifted students in second grade, and to ensure team review of a gifted student's performance when the district prepares an advanced academic learning plan for gifted students.

Beginning in 2017, districts will also have increased costs to employ a qualified educator to oversee gifted programs and ensure plan accountability with the CDE. Although some districts currently employ qualified personnel, other districts will need to increase FTE to satisfy this requirement, or replace existing staff with more qualified educators. Districts can anticipate increased FTE expenses of at least \$43,800 for each .5 FTE required to implement gifted programs. For example, there are approximately 58 administrative units providing special education services across the state's school districts and BOCES. If each administrative unit is required to add 1 FTE at an annual salary cost of \$73,000 plus benefits, total system costs increase by about \$5.08 million; however, not all administrative units will need to hire additional FTE. As more district-level information is provided, this school district fiscal estimate will be revised.

Under current law, school districts and 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>

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2014-15, this bill requires an appropriation of \$876,538 and 2.0 FTE from the State Education Fund to the Colorado Department of Education.

State and Local Government Contacts

Education

Higher Education