



**Colorado
Legislative
Council
Staff**

HB17-1211

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0619
Prime Sponsor(s): Rep. Coleman
Sen. Priola

Date: March 7, 2017
Bill Status: House Education
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: EDUCATORS PROFESSIONAL DEVELOPMENT DISCIPLINE STRATEGIES

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue	<u>\$300,000</u>	<u>\$300,000</u>
Cash Funds	300,000	300,000
State Expenditures	<u>\$300,000</u>	<u>\$300,000</u>
Cash Funds	300,000	300,000
FTE Position Change	0.5 FTE	0.5 FTE
Appropriation Required: None. See State Appropriations section.		
Future Year Impacts: Conditional revenue and expenditure impact.		

Summary of Legislation

The bill creates the Discipline Strategies Pilot Grant Program in the Colorado Department of Education (CDE). The program will provide funding for professional development for teachers and principals concerning culturally responsive methods of student discipline, and developmentally appropriate responses to the behavioral issues of students in early elementary grades. The State Board of Education must adopt rules for the new grant program.

A local education provider may apply to the CDE for a grant. The department is required to review applications, and recommend the recipients and grant awards. The bill specifies the minimum criteria to be used when making grant awards.

The pilot program is not eligible to receive state appropriations. The program must be funded exclusively through gifts, grants, and private donations. Neither the CDE or the SBE are required to implement the program, adopt rules, or prepare a report in any budget year in which the department does not receive at least \$300,000 in gifts, grants, and private donations. For each year that funding is available, the CDE must prepare a report on the program's implementation and submit the report to the SBE and the General Assembly no later than April 15.

The bill is repealed, effective July 1, 2020.

State Revenue

The bill authorizes the CDE to seek, accept, and expend gifts, grants, and private donations. No amount of revenue from these sources has been identified; however, the department will require at least \$300,000 in gifts, grants, and private donations in any fiscal year before implementing the grant program. Private gifts are exempt from the calculation of revenue and spending limitations in the Constitution, and do not increase the TABOR refund obligation in any year in which private funding is received.

State Expenditures

Contingent on receipt of at least \$300,000 in private donations or grants, the CDE will expend an equivalent amount on the pilot program. This amount includes about \$45,000 in staffing costs, leaving approximately \$255,000 to award as grants to local education providers. Staff for the program is required to assist the SBE to adopt rules, create an application process, review and evaluate grant applications, provide technical assistance, ensure accountability, and prepare an annual summary report. Conditional state expenditures are displayed in Table 1.

Table 1. Conditional Expenditures Under HB 17-1201		
Cost Components	FY 2017-18	FY 2018-19
Personal Services	\$33,480	\$33,480
FTE	0.5 FTE	0.5 FTE
Operating Expenses and Capital Outlay Costs	5,178	475
Program Grants	254,443	259,146
Centrally Appropriated Costs*	6,899	6,899
TOTAL	\$300,000	\$300,000

* Centrally appropriated costs are assumed to be part of the department's indirect expenses to implement the bill; the funding source for these costs must be determined by the Joint Budget Committee.

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. Conditional Centrally Appropriated Costs Under HB 17-1201		
Cost Components	FY 2017-18	FY 2018-19
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$3,899	\$3,899
Supplemental Employee Retirement Payments	3,000	3,000
TOTAL	\$6,899	\$6,899

School District Impact

Contingent on receipt of sufficient private funding, local education providers may access grants from the pilot program.

State Appropriations

The bill does not require an appropriation. State revenue received by the CDE from private donations or other grants are custodial funds, and the department has continuous spending authority over these funds.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Education