



**Legislative
Council Staff**

Nonpartisan Services for Colorado's Legislature

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 8, 2018)

Drafting Number: LLS 18-0126
Prime Sponsors: Rep. Wilson

Date: April 16, 2018
Bill Status: House Appropriations
Fiscal Analyst: Anna Gerstle | 303-866-4375
Anna.Gerstle@state.co.us

Bill Topic: FUNDING FOR FULL-DAY KINDERGARTEN

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> School District
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill increases the full-day kindergarten factor and increases state expenditures for full-day kindergarten on an ongoing basis.

Appropriation Summary: The bill requires an appropriation of \$42.5 million to the Colorado Department of Education.

Fiscal Note Status: The fiscal note reflects the introduced bill, and has been revised to reflect new information.

**Table 1
State Fiscal Impacts Under HB18-1088**

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	General Fund	\$42.5 million	\$50.0 million
Transfers		-	-

Summary of Legislation

Under current law, students who are enrolled in kindergarten are counted as half-day students for the purposes of school finance, and each school district receives an additional .08 of a full-day student for each enrolled kindergarten student, for a total funding factor of 0.58. Beginning in FY 2018-19, the bill increases the factor from 0.58 to 0.66.

In addition, the bill states the intent of the General Assembly to increase funding for full-day kindergarten (full-day K) by specific dollar amounts annually, such that in FY 2023-24, \$303 million is appropriated for full-day K.

State Expenditures

The bill increases state General Fund expenditures by \$42.5 million in FY 2018-19 and \$50.0 million in FY 2019-20. The cost to raise the full-day kindergarten factor by 0.08, from 0.58 to 0.66, is estimated to be \$42.5 million in FY 2018-19. Increasing the factor is the equivalent of an additional 5,137 student FTE in the statewide funded pupil count, which increases the statewide base and state aid requirements. For FY 2019-20, the statewide base is presumed to grow further by the projected rate of inflation, increasing state aid by \$50.0 million.

New state expenditures are appropriated by the Colorado Department of Education for allocation to school districts. The FY 2019-20 estimate assumes that base per-pupil funding increases by 2.9 percent, consistent with the March 2018 Legislative Council Staff forecast for inflation rates in 2018.

School District

The bill provides additional funding to school districts for full-day kindergarten students.

Effective Date

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

State Appropriations

For FY 2018-19, the bill requires a General Fund appropriation of \$42,554,306 to the Colorado Department of Education

State and Local Government Contacts

Education