



Legislative Council Staff

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Final Fiscal Note

Drafting Number: LLS 21-0588
Prime Sponsors: Rep. Esgar; Will
Sen. Garcia; Hisey

Date: July 20, 2021
Bill Status: Signed into Law
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Bill Topic: FIFTH-DAY SCHOOL ENRICHMENT PROGRAMS FUNDING

- Summary of Fiscal Impact:
- State Revenue
- State Expenditure (conditional)
- State Transfer
- TABOR Refund
- Local Government
- School District

The bill creates the fifth day academic enrichment and support grant program in the Colorado Department of Education. Conditional on sufficient appropriations, the bill increases state expenditures and school district workload on an ongoing basis.

Appropriation Summary: The bill does not require or include an appropriation; however, a future appropriation is required in order to implement the program.

Fiscal Note Status: This bill reflects the enacted bill.

Table 1
Conditional State Fiscal Impacts Under HB 21-1006^1

Table with 3 columns: Category, Budget Year FY 2021-22, and Out Year FY 2022-23. Rows include Revenue, Expenditures, Transfers, and TABOR Refund.

## **Summary of Legislation**

The bill creates the Fifth Day Academic Enrichment and Support Grant Program in the Colorado Department of Education (CDE) to provide grants for community-based nonprofit organizations or rural school districts to:

- provide supplemental enrichment programming on the fifth day of a four-day school week;
- provide an after-school program, if the organization also provides programming on the fifth day of a four-day school week;
- staff and provide administrative support for the program;
- provide meals and transportation for participating students;
- purchase educational materials and technology;
- make needed accommodations for students with disabilities;
- partner with school districts and conduct outreach to families; or
- other uses approved by the State Board of Education.

**Eligibility.** The bill establishes eligibility criteria for community-based nonprofit organizations, including that the organization must partner with a school district and serve a majority of children who qualify for free and reduced price lunch or meet other income criteria. Rural school districts must operate on a four-day school week, have no eligible community-based organizations within their boundaries, and serve a majority of students who qualify for free and reduced-priced lunch.

**Administration.** CDE must administer the program. Grants will be awarded on a three-year cycle, a one-year term with automatic renewal for up to two additional years. Grants must be awarded in the order that qualifying applications are received. The CDE is not required to implement the program unless the General Assembly appropriates sufficient money.

**Reporting.** By February 15 of any year in which grants are awarded, recipients must submit a report to CDE including the number of children served and a description of the program, district partnerships, and uses of the grant money. On or after April 1 of any year in which grants are awarded CDE must submit an annual report to the Joint Budget Committee and the education committees of the General Assembly.

**Fund.** The bill creates the Fifth Day Academic Enrichment and Support Grant Program Fund to contain money appropriated or transferred for the program. Up to 5 percent of program funding may be used for administrative expenses.

## **State Expenditures**

The bill has a conditional impact on state expenditures. If the General Assembly appropriates sufficient funds, the bill will increase state expenditures and the program will be implemented. However, the General Assembly did not appropriate funding for the program during the 2021 session; as a result, the bill does not increase state expenditures at this time.

The General Assembly may choose to appropriate funding for the program in the future. For informational purposes, if \$500,000 is appropriated for the program, about \$450,000 will be distributed as grants and about \$50,000 will be required for administration costs in CDE. This example is shown in Table 2.

**Table 2**  
**Example Costs for HB 21-1006**

	FY 2021-22	FY 2022-23
<b>Department of Education</b>		
Personal Services	\$36,363	\$39,669
Operating Expenses	\$675	\$675
Capital Outlay Costs	\$6,200	-
Grants	\$448,472	\$451,067
Centrally Appropriated Costs	\$8,290	\$8,589
<b>Total Cost</b>	<b>\$500,000</b>	<b>\$500,000</b>
<b>Total FTE</b>	<b>0.5 FTE</b>	<b>0.5 FTE</b>

**Administration.** CDE would require 0.5 FTE to develop program rules, review applications, communicate with applicants and grantees, distribute payments, and for program reporting and evaluation. Staffing has been prorated for the General Fund paydate shift in FY 2021-22.

**Grants.** The fiscal note estimates that about \$450,000 each year would be available for grants to community-based organizations and rural school districts. Actual grant amounts and the number of recipients would be determined by CDE.

**Legal services.** Legal services for rulemaking provided by the Department of Law would increase by a minimal amount.

**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. These costs, which include employee insurance and supplemental employee retirement payments, would be \$8,290 in FY 2021-22 and \$8,589 in FY 2022-23.

### **School District Impact**

The bill increases workload for any school district that partners with an eligible community-based organization or applies for a grant.

## Effective Date

The bill was signed into law by the Governor and took effect on June 30, 2021.

## State and Local Government Contacts

Education                      Law                      School Districts