



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated March 15, 2021)

Drafting Number: LLS 21-0588 **Date:** March 26, 2021
Prime Sponsors: Rep. Esgar; Will **Bill Status:** House Appropriations
 Sen. Garcia; Hisey **Fiscal Analyst:** Anna Gerstle | 303-866-4375
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Bill Topic: FIFTH-DAY SCHOOL ENRICHMENT PROGRAMS FUNDING

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (conditional)	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> 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: To implement the grant program, the bill requires an appropriation of \$491,710 to the Colorado Department of Education for FY 2021-22. The General Assembly may choose to appropriate a different amount, or include no appropriation for the bill.

Fiscal Note Status: This bill reflects the introduced bill, as amended by the House Education Committee.

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

	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	-	-
Expenditures		
General Fund	\$491,710	\$491,411
Centrally Appropriated	\$8,290	\$8,589
Total Expenditures	\$500,000	\$500,000
Total FTE	0.5 FTE	0.5 FTE
Transfers	-	-
TABOR Refund	-	-

*Cost estimates are for informational purposes only; the General Assembly may choose to appropriate a different amount, or include no appropriation for the grant program created by the bill.

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 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.

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. The level of funding is at the discretion of the General Assembly. 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.

If the General Assembly does not appropriate money for the program, the bill does not increase state expenditures.

Table 2
Cost Estimate for HB 21-1006*

	FY 2021-22	FY 2022-23
Department of Education		
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
Total Cost	\$500,000	\$500,000
Total FTE	0.5 FTE	0.5 FTE

**Cost estimates are for informational purposes only; the General Assembly may choose to appropriate a different amount, or include no appropriation.*

Administration. CDE requires 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 will be available for grants to community-based organizations. Actual grant amounts and the number of recipients will be determined by CDE.

Legal services. Legal services for rulemaking provided by the Department of Law will increase by a minimal amount. No change in appropriations are required.

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, are estimated to 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 as a result of the grant program.

Technical Note

The bill specifies that no more than 5 percent of program appropriations may be used for direct and indirect administrative expenses. Based on the assumed funding level, the fiscal note estimates that about 10 percent is required for administrative expenses.

Effective Date

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

State Appropriations

To implement the grant program, the bill requires an appropriation of \$491,710 to the Colorado Department of Education, and 0.5 FTE in FY 2021-22. The General Assembly may choose to appropriate a different amount, or include no appropriation for the bill.

State and Local Government Contacts

Education Law School Districts