



Legislative Council Staff
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Final Fiscal Note

Drafting Number: LLS 21-0828
Prime Sponsors: Sen. Moreno
Rep. Herod

Date: July 19, 2021
Bill Status: Signed into Law
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Bill Topic: **SUSTAINABLE MODEL TO SERVE FACILITY STUDENTS**

Summary of Fiscal Impact:

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

The bill creates a working group to create a sustainable model to meet the needs of facility students and provides additional funding to facility schools. The bill will increase state expenditures in FY 2021-22.

Appropriation Summary: The bill includes an appropriation of \$6.2 million to the Colorado Department of Education.

Fiscal Note Status: This fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under SB 21-274

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	General Fund	\$6,200,000	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

Working group. The bill creates a workgroup to develop and implement a sustainable educational model to meet the educational needs of targeted students in facility schools that are operated by residential child care, day treatment, and hospital providers. The model must define the roles of various state departments and include how to evaluate the outcomes of the target population. Specifically the workgroup must:

- define the target population of facility students;
- analyze data to determine educational needs of the target population;
- analyze cost data for providing educational services;
- evaluate existing capacity in the state;
- evaluate other effective evidence-based options that exist in Colorado or other states;
- identify barriers and develop solutions to address additional capacity in educational programs;
- identify and analyze number of issues related to funding and capacity;
- identify the outcomes that are to be evaluated; and
- develop short-term strategies to address lost capacity.

By October 1, 2022, the working group must develop the model and submit this information to the Colorado Department of Education (CDE). The CDE must report the group's efforts to the Joint Budget Committee by November 2022. Implementation of the model may begin July 2023, and must be fully implemented by July 2027. The CDE must report on the implementation of the model every October starting in 2023.

Facility schools funding. In FY 2021-22, the bill requires the CDE to distribute supplemental payments to facility schools. The bill appropriates \$5.7 million for these payments.

Background

Some students in Colorado receive educational programming from out of home facilities such as day treatment centers, residential child care facilities, other out-of-home placement facilities, or hospitals. These facility school programs are overseen by the CDE and are eligible for reimbursement for the cost of educational services provided to students.

State Expenditures

The bill will increase state expenditures in the CDE by \$6.2 million in FY 2021-22 only to provide payments to facility schools and to hire a facilitator to work with the working group. The bill includes an appropriation of \$5.7 million for payments to facility schools and \$500,000 for a facilitator. Finally, workload in the departments of Education, Human Services, and Health Care Policy and Financing will increase to participate in the workgroup. This work can be accomplished within existing appropriations.

Local Government

Workload to various local government entities will increase to participate in the workgroup. This includes school districts and county departments of human services.

Effective Date

This bill was signed into law by the Governor and took effect on June 25, 2021.

State Appropriations

The bill includes a \$6.2 million General Fund appropriation to the Colorado Department of Education.

State and Local Government Contacts

Counties
Health Care Policy and Financing
Information Technology
School Districts

Education
Human Services
Public Health and Environment