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Fiscal Note

Drafting Number:	LLS 22-0642	Date:	February 9, 2022
Prime Sponsors:	Sen. Coram Rep. McLachlan; Catlin	Bill Status:	Senate SVMA
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Bill Topic: COLORADO SAFE STUDENT PROTECTION PROGRAM

Summary of Fiscal Impact:	<input checked="" 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 checked="" type="checkbox"/> School Districts

The bill creates the Safe Student Protection Program to provide grants to school districts and to contract with a program facilitator to improve student and school bus safety. The bill increases state expenditures through FY 2024-25.

Appropriation Summary:	For FY 2021-22, the bill includes an appropriation of \$5.5 million to the Department of Education.
Fiscal Note Status:	The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 22-085

	Current Year FY 2021-22	Budget Year FY 2022-23	Out Year FY 2023-24
Revenue	-	-	-
Expenditures	General Fund	\$ 5,500,000*	\$4,500,000
	Centrally Appropriated	-	\$30,365
	Total Expenditures	\$ 5,530,365	\$4,533,489
	Total FTE	-	1.8 FTE
			2.0 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$737,200	\$675,000

*The bill appropriates \$5.5 million in the current FY 2021-22, which may be spent through FY 2022-23. Given the expected timing of passage of the bill, it is assumed most or all costs will actually be incurred in FY 2022-23. See State Expenditures Section. For informational purposes, the impact on the General Fund reserve is shown in FY 2021-22 when the original appropriation is made.

Summary of Legislation

The bill creates the Colorado Safe Student Protection Program in the Colorado Department of Education (CDE) to award grants and provide a program facilitator to increase student and school bus safety. The CDE must issue a report to the General Assembly about the program as part of its SMART Act hearing. The program is repealed on July 31, 2025.

Grant program. The CDE must award three-year grants to school districts to:

- provide parents with non-cost secure digital notification and information tools;
- equip school buses with hardware and software that monitor driver behavior and to enable communication with first responders; and
- fund bus safety training.

Before awarding grants, the State Board of Education must adopt rules that outline the application process; criteria for awarding grants; and grant distributions to rural, urban, and suburban school districts. The bill outlines other requirements school districts must follow when they submit an application, and the information they must report when they receive a grant. The CDE must award grants as soon as possible after the effective date of the bill.

Program facilitator. The CDE must select an organization to serve as a program facilitator. The program facilitator must:

- support school districts awarded grants;
- develop and maintain secure digital notification and information tools;
- recruit school bus drivers;
- conduct or facilitate federal transportation security awareness training;
- develop school bus transportation safety information;
- conduct a statewide safety awareness campaign; and
- seek additional funding sources for the program.

The program facilitator must have at least seven years of experience in student and school bus safety and in conducting fundraising campaigns. By June 30, 2023, and each June 30 afterward, the program facilitator must submit a report to the CDE concerning the operation of the program.

Funding. The bill appropriates \$5.5 million to the CDE in the current FY 2021-22, with roll over authority for any unspent money in FY 2022-23. In addition, the bill requires the General Assembly to appropriate \$4.5 million in FY 2023-24, and \$3.5 million in FY 2024-25 to the CDE. Of those amounts, \$2.5 million in FY 2022-23, \$1.5 million in FY 2023-24; and \$1.0 million in FY 2024-25 must be awarded to the program facilitator for the duties listed above.

State Revenue

The bill allows the CDE to seek and accept gifts, grants, and private donations. Starting in FY 2021-22, state revenue will increase if the CDE receives donations. No source or amount of private donations has been identified. Gifts, grants, and donations are not subject to TABOR.

State Expenditures

The bill increases state expenditures in the CDE by \$5.5 million in FY 2022-23 and \$4.5 million in FY 2023-24 from the General Fund. Expenditures are shown in Table 2 and detailed below. The bill appropriates \$5.5 million for the program in the current FY 2021-22 and appropriates any unspent funds in FY 2022-23. The majority of costs, including staffing costs, will occur in FY 2022-23.

Table 2
Expenditures Under SB 22-085

	FY 2022-23	FY 2023-24
Department of Education		
Personal Services	\$137,464	\$149,962
Operating Expenses	\$2,700	\$2,700
Capital Outlay Costs	\$12,400	-
RFP Purchasing	\$17,850	-
Program Facilitator	\$2,500,000	\$1,500,000
Grants	\$2,829,586	\$2,847,338
Centrally Appropriated Costs ¹	\$30,365	\$33,489
Total Cost	\$5,530,365	\$4,533,489
Total FTE	1.8 FTE	2.0 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Staffing costs. Starting in FY 2022-23, CDE will require 2.0 FTE to administer the program, 1.0 FTE to select, oversee, and support the program facilitator and 1.0 FTE to oversee the grant program. Work includes developing rules, creating applications, providing technical assistance, reviewing applications, providing support, and compiling a report. Staffing costs include personal services, standard operating, and capital outlay costs shown in Table 1. Costs in FY 2022-23 are prorated for the General Fund paydate shift.

RFP purchase services. In FY 2022-23 only, costs in the CDE will increase by \$17,850 to contract with a purchasing agent to issue a request for proposal (RFP). The fiscal note assumes that there will be 350 hours of work at \$51 per hour.

Program facilitator. Expenditures in the CDE will increase by \$2.5 million in FY 2022-23, and \$1.5 million in FY 2023-24 to provide funds to the program facilitator, as outlined in the bill.

Grant funding. Starting in FY 2022-23, expenditures in the CDE will increase to provide grants to school districts. The fiscal note estimates that there will be \$2.8 million in FY 2022-23 and \$2.8 million in FY 2023-24 available for grants.

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 shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 13.4 percent in the current FY 2021-22 and 15 percent beginning in FY 2022-23 of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by \$737,000 in the current FY 2021-22, and \$675,000 in FY 2023-24, which will decrease the amount of General Fund available for other purposes.

School District

Starting in FY 2022-23, workload in school districts will increase to submit applications for grant funding. To the extent districts receive grant funding, revenue to the districts will increase and workload will increase to report the required information outlined in the bill.

Effective Date

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

State Appropriations

For the current FY 2021-22, the bill includes a General Fund appropriation of \$5,500,000 to the Department of Education, and 2.0 FTE. In addition, the bill further appropriates any unspent money for FY 2022-23.

State and Local Government Contacts

Education School Districts