



**Colorado  
Legislative  
Council  
Staff**

**HB16-1429**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0169 **Date:** August 17, 2016  
**Prime Sponsor(s):** Rep. Pettersen; Wilson **Bill Status:** Signed into Law  
 Sen. Kerr **Fiscal Analyst:** Josh Abram (303-866-3561)

**BILL TOPIC:** ALTERNATIVE EDUCATION CAMPUS CRITERIA & PILOT PROGRAM

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
<b>State Revenue</b>		
<b>State Expenditures</b>	<b><u>\$51,444</u></b>	<b><u>\$53,155</u></b>
General Fund	43,896	45,115
Centrally Appropriated Costs	7,548	8,040
<b>FTE Position Change</b>	0.5 FTE	0.5 FTE
<b>Appropriation Required:</b> \$43,896 - Colorado Department of Education (FY 2016-17)		
<b>Future Year Impacts:</b> Ongoing expenditure impact.		

**Summary of Legislation**

Under current law, the State Board of Education (SBE) may designate a public school as an alternative education campus (AEC). An AEC is a public school with greater than 95 percent of its students meeting high-risk criteria. This bill, as amended by the House Education Committee, modifies the criteria for the designation of AECs by:

- lowering the threshold for AEC designation from 95 percent high-risk students to 90 percent high-risk students;
- substituting four absences in any one month, or ten absences in any given year, for the current high-risk criteria of failing to remain continuously enrolled and regularly attending school in the previous semester;
- expanding high-risk criteria to include students who are wards of the courts, are in foster care, or have experienced the loss of a parent or sibling; and
- redefining the meaning of behavioral health issues related to high-risk students in AECs.

The CDE is required to continue working with the interested stakeholders and interested AECs to find and develop effective methods to accurately measure qualitative aspects of an AEC's performance. This specific authority is repealed July 1, 2017.

**State Expenditures**

**For FY 2016-17, the bill increases state expenditures in the CDE by \$51,444 and 0.5 FTE. For FY 2017-18, increased expenditures are \$53,155 and 0.5 FTE.** New state expenditures are displayed in Table 1 and described below.

<b>Table 1. Expenditures Under HB 16-1429</b>		
<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
Personal Services	\$41,069	\$44,640
FTE	0.5 FTE	0.5 FTE
Operating Expenses and Capital Outlay Costs	2,827	475
Centrally Appropriated Costs*	7,548	8,040
<b>TOTAL</b>	<b>\$51,444</b>	<b>\$53,155</b>

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

**Assumptions.** This fiscal note assumes that the CDE will implement the bill beginning July 1, 2016. As such, FY 2016-17 personal services costs are adjusted for the General Fund pay day shift.

**Personal Services.** The CDE requires 0.5 FTE additional staff to implement the bill. Lowering the threshold for AEC designation from 95 percent high risk students to 90 percent high-risk students, in addition to other criteria modifications, is expected to increase the number of schools that will apply for and receive designation as an AEC. A preliminary estimate of the department staff necessary to support these additional AECs is 0.5 FTE; however, this fiscal note may be revised with additional information.

**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. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

<b>Table 2. Centrally Appropriated Costs Under HB 16-1429</b>		
<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$4,034	\$4,040
Supplemental Employee Retirement Payments	3,514	4,000
<b>TOTAL</b>	<b>\$7,548</b>	<b>\$8,040</b>

**Effective Date**

The bill was signed into law by the Governor and it took effect on June 8, 2016.

## **State Appropriations**

Consistent with this final fiscal note, for FY 2016-17, the bill includes a General Fund appropriation of \$43,896 and 0.5 FTE to the Colorado Department of Education.

## **State and Local Government Contacts**

Education