



**Legislative
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Nonpartisan Services for Colorado's Legislature

SB 19-216

**FINAL
FISCAL NOTE**

Drafting Number: LLS 19-1005
Prime Sponsors: Sen. Bridges
Rep. Bird

Date: July 16, 2019
Bill Status: Signed into Law
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Bill Topic: HIGH SCHOOL INNOVATIVE LEARNING PILOT

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 checked="" type="checkbox"/> School District

The bill creates a pilot program to increase innovative learning opportunities for high school students. The bill increases state expenditures from FY 2019-20 through FY 2024-25.

Appropriation Summary: For FY 2019-20, the bill requires an appropriation of \$129,563 to the Colorado Department of Education.

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

**Table 1
State Fiscal Impacts Under SB 19-216**

		FY 2019-20	FY 2020-21	FY 2021-22
Revenue		-	-	-
Expenditures	General Fund	\$129,563	\$127,095	\$127,095
	Centrally Appropriated	\$4,478	\$4,682	\$4,682
	Total	\$134,041	\$131,777	\$131,777
	Total FTE	0.3 FTE	0.3 FTE	0.3 FTE
Transfers		-	-	-
TABOR Refund		-	-	-

Summary of Legislation

The bill creates the High School Innovative Learning Pilot Program in the Colorado Department of Education (CDE). An innovative learning opportunity includes learning that typically occurs outside of the classroom, including work-based learning, capstone projects, and other experiences that are designed to help students develop post secondary and workforce related skills.

Innovative learning pilot program. Local education providers (LEPs) may propose an innovative learning plan that permits high school students to participate in innovative learning opportunities prior to graduation. LEPs selected by the CDE to participate in the pilot program may count students participating in innovative learning opportunities as full-time students for purposes of the School Finance Act (SFA), regardless of the actual amount of instructional time or contact hours for which the student is enrolled.

The State Board of Education (SBE) must adopt rules for the pilot program, including application requirements and time lines. To the extent possible, board rules must create a simplified application process for school districts that enroll fewer than 2,000 students. The bill specifies the minimum information that must be included in any application from an LEP or a group of LEPs, and suggests research-based design principals LEPs may use to improve an application. Participating LEPs must report specified information to the CDE.

LEPs may apply to the CDE in FY 2019-20 to participate in the pilot program beginning in FY 2020-21. The SBE shall select up to five applicants that enrolled some part-time high school students in the previous school year and which enrolled fewer than 5,000 students in grades nine through twelve. For applicants that had no part-time students enrolled in grades nine through twelve, the SBE shall select each LEP that adopts an innovative learning plan. Beginning in FY 2021-22, the bill states the General Assembly's intent to increase annually the number of LEPs that participate, with the stated goal that by FY 2025-26, one hundred percent of LEPs will participate.

Technical assistance. No later than September 1, 2019, the CDE must issue a request for proposals to contract with a statewide nonprofit to assist in implementing the pilot program and provide technical assistance to LEPs applying for participation in the pilot program and to assist the CDE in program evaluation. The CDE must contract with the selected nonprofit no later than January 1, 2020.

The bill is repealed July 1, 2025.

State Expenditures

The bill increases state expenditures by \$134,041 and 0.3 FTE in FY 2019-20, by \$132,062 and 0.3 FTE in FY 2020-21, and by \$131,777 and 0.3 FTE in FY 2021-22. The bill potentially increases costs for School Finance beginning FY 2020-21. New state expenditures continue through FY 2024-25. Costs are displayed in Table 2 and described below.

**Table 2
 Expenditures Under SB 19-216**

	FY 2019-20	FY 2020-21	FY 2021-22
Colorado Department of Education			
Personal Services	\$24,575	\$26,810	\$26,810
Operating & Capital Outlay	\$4,988	\$285	\$285
Non-Profit Tech Assistance Contract	\$100,000	\$100,000	\$100,000
Centrally Appropriated Costs*	\$4,478	\$4,682	\$4,682
Total Cost	\$134,041	\$131,777	\$131,777
Total FTE	0.3 FTE	0.3 FTE	0.3 FTE

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

Personal services. Beginning FY 2019-20, the CDE requires new staff to create, review, and evaluate applications for participation in the innovative learning opportunities pilot program, manage the request for proposal process to select a non-profit entity to provide technical assistance to LEPs, and assist the SBE to adopt rules.

Non-profit technical assistance contract. CDE must contract with an outside vendor to provide technical assistance to LEPs that participate in the innovative learning pilot program. Based on similar contracts managed by the department, this expense is estimated at \$100,000 annually. In addition to technical assistance provided to LEPs, the non-profit entity will assist CDE with data collection, program evaluation, and progress reporting.

Pilot program per-pupil revenue increase. Beginning FY 2020-21, the bill potentially increases state expenditures for school finance. Under the SFA, school districts may count high school students as either half-time or full-time enrolled based on the number of daily contact hours. This bill permits up to five participating districts to count half-time students who participate in innovative learning opportunities as full time, thus increasing total enrollment and the amount of per-pupil revenue the LEP receives. There is no published data on the number of students participating in innovative learning opportunities who are also enrolled in districts with less than 5,000 high school students. It is also unknown which districts that might seek or be selected to participate in the pilot. For this reason, the precise impact to school finance cannot be estimated.

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 \$4,478 in FY 2019-20 and \$4,682 in FY 2020-21 and FY 2021-22.

School District

School districts that participate in the Innovative Learning Pilot Program may increase revenue from increased program enrollment reporting.

Effective Date

The bill was signed into law by the Governor and took effect May 10, 2019.

State Appropriations

Consistent with this final fiscal note, for FY 2019-20, the bill includes a General Fund appropriation of \$129,563 to the Colorado Department of Education and 0.3 FTE.

State and Local Government Contacts

Education