



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature (replaces fiscal note dated November 30, 2020)

REVISED FISCAL NOTE

Drafting Number: LLS 20B-0043
Prime Sponsors: Rep. Young; Soper
 Sen. Donovan; Coram
Date: December 1, 2020
Bill Status: Senate Finance
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Bill Topic: GRANTS TO IMPROVE INTERNET ACCESS IN P-12 EDUCATION

Summary of Fiscal Impact:

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

This bill creates a grant program in the Colorado Department of Education to distribute funding to local education providers to increase internet access for students and staff. It will increase state and local expenditures in FY 2020-21.

Appropriation Summary: In FY 2020-21, the bill includes an appropriation of \$20.0 million to the Colorado Department of Education.

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

Table 1
State Fiscal Impacts Under HB 20B-1001

		FY 2020-21 <i>(current year)</i>	FY 2021-22	FY 2022-23
Revenue		-	-	-
Expenditures	General Fund	\$20,000,000	-	-
	FTE	0.3 FTE	-	-
Transfers		-	-	-
TABOR Refund		-	-	-

Summary of Legislation

This bill creates the Connecting Colorado Students Grant Program in the Colorado Department of Education (CDE) to provide grants to local education providers for broadband services and other technology for increased internet access for students, educators, and staff who lack stable, reliable internet access for online learning.

The CDE will review applications in consultation with the Office of Information Technology (OIT), the Office of Economic Development and International Trade (OEDIT), and broadband and education technology experts. The Commissioner of Education will award the grants. Criteria for grant applications, funding prioritization, and grant usage is outlined in the bill. Grants funded from FY 2020-21 appropriations must be distributed by February 1, 2021. By July 15, 2021, and every six months thereafter, as necessary, the CDE must submit a report on the grant program.

The bill also creates the continuously appropriated Connecting Colorado Students Grant Program Cash Fund and allows up to 2 percent of administrative costs to come out of annual appropriations to the fund.

The program is repealed February 1, 2022, upon which date the State Treasurer will transfer all unexpended and unencumbered cash funds to the General Fund.

In addition, the bill requires the CDE, in collaboration with OIT and broadband service providers, to develop and post online a list of free or low-cost broadband services and other internet access resources for students, educators, and staff by January 10, 2021. The list must be updated as necessary.

State Expenditures

In the current FY 2020-21, the bill provides a one-time appropriation of \$20.0 million from the state General Fund to the newly created Connecting Colorado Students Grant Program Cash Fund. Costs will increase in the CDE and the OIT to implement the program, as shown in Table 2 and discussed below. This impact is currently one-time, but may continue through FY 2021-22 if additional funding is provided to the program.

Table 2
Expenditures Under HB 20B-1001

	FY 2020-21 <i>(current year)</i>	FY 2021-22	FY 2022-23
Department of Education			
Personal Services	\$22,639	-	-
Grant Program	\$19,972,313	-	-
Centrally Appropriated	\$5,048	-	-
Total Cost	\$20,000,000	-	-

Department of Education. The CDE will require approximately 390 hours of additional staffing in their Office of Competitive Grants and Grants Fiscal Management Unit at a one-time cost of \$22,639 in the current FY 2020-21. Work includes development of the grant program and application, technical assistance, application review, fund distribution, and reporting; as well as coordinating with other entities, as required by the bill.

Office of Information Technology. The OIT will require approximately 20 hours of work to provide consultation for the application review and assist in completing the broadband providers list. No change in appropriations is 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 \$5,048 in the current FY 2020-21.

School Districts

In the current FY 2020-21, the bill increases workload for any school district that applies for a grant, and increases revenue and expenditures for school districts that receive a grant and implement additional internet services. Similar to the state, this impact is currently one-time, but may continue in future years if additional funding is provided to the program. Actual grant amounts will be determined by CDE.

Effective Date

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

State Appropriations

The bill includes an appropriation of \$20,000,000 from the General Fund to the Connecting Colorado Students Grant Program Cash Fund in the Colorado Department of Education. The fund is continuously appropriated to CDE.

State and Local Government Contacts

Education Information Technology Personnel Regulatory Agencies