



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 22-0304	Date:	August 8, 2022
Prime Sponsors:	Rep. Michaelson Jenet; Young Sen. Zenzinger; Gardner	Bill Status:	Signed into Law
		Fiscal Analyst:	Josh Abram 303-866-3561 Josh.Abram@state.co.us

Bill Topic: SPECIAL EDUCATION SERVICES IN CHARTER SCHOOLS

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 allows charter schools to form alternative administrative units to provide special education services. The bill increases school district workload and state expenditures beginning in FY 2022-23.

Appropriation Summary: The bill includes an appropriation of \$375,000 to the Charter School Institute in the Colorado Department of Education.

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

Table 1
State Fiscal Impacts Under HB 22-1294

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund	\$375,000	-
Transfers		-	-
Other Budget Impacts		\$56,250	-

Summary of Legislation

The bill makes changes to state law related to special education services in charter schools. With approval from the school's authorizer, the bill permits a charter school to develop and administer an enrollment preference plan for children with disabilities.

Charter school networks and collaboratives. Under current law, Boards of Cooperative Educational Services (BOCES) and school districts are the administrative unit that provide special education services in public schools. This bill allows the State Board of Education (SBE) to designate a charter school network or charter school collaborative as an alternative administrative unit, which authorizes the collaborative or network and the associated charter schools to provide special education services to children with disabilities.

A charter school may enter into an agreement to participate in a charter school network or a charter school collaborative administrative unit. A charter school collaborative may provide special education services to participating schools as authorized by the contract creating the collaborative. Participating charter schools must share costs and financial support for special education services. If a student with a disability is removed from an alternative administrative unit during the school year, the alternative administrative unit remains the unit of residence for the remainder of the school year, and may be required to pay the cost to enroll the student in a different program.

CSI options. A charter school authorized by a school district may enter into an agreement with the state Charter School Institute (CSI) to participate in its administrative unit. Alternatively, a CSI charter school may request to participate in an alternative administrative unit.

For FY 2022-23, the bill requires an appropriation of \$375,000 from the General Fund to the CSI to distribute to eligible institute charter schools. Finally, the bill clarifies that a charter school is not required to pay its authorizing school district for federally required educational services that are not available to the school.

State Expenditures

The bill does not change the financing of special education services, or have any impact on school funding under the School Finance Act. The SBE will have an increased workload to adopt rules for the designation of alternative administrative units, and to preside over charter amendment disputes. This workload increase does not require additional appropriations.

School Districts

The bill authorizes charter schools to develop and implement an enrollment preference plan for children with disabilities and provides the flexibility to participate in alternative administrative units. This will increase workload for charter schools and districts, but does not require additional funding.

State Appropriations

For FY 2022-23, the bill includes an appropriation of \$375,000 from the General Fund to the Charter School Institute in the Colorado Department of Education.

Effective Date

The bill was signed into law by the Governor on May 26, 2022, and takes effect August 9, 2022, assuming no referendum petition is filed.

State and Local Government Contacts

Education School Districts