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Fiscal Note

Drafting Number:	LLS 24-0195	Date:	January 24, 2024
Prime Sponsors:	Rep. Young; Garcia Sen. Kolker	Bill Status:	House Education
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Bill Topic: ADDRESSING ABBREVIATED SCHOOL DAYS

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input checked="" type="checkbox"/> School Districts

The bill makes changes to state law related to the use of abbreviated school days for students with disabilities. The bill increases state expenditures and local workload and expenditures on an ongoing basis.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$192,408 to the Colorado Department of Education.

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

Table 1
State Fiscal Impacts Under HB 24-1063

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	General Fund	\$192,408	\$115,714
	Centrally Appropriated	\$26,973	\$21,603
	Total Expenditures	\$219,381	\$137,317
	Total FTE	1.2 FTE	1.0 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$28,861	\$17,357

Summary of Legislation

The bill establishes policies for the use of an abbreviated school day for students with disabilities. An abbreviated school day (ASD) is defined as any school day in which a student with disabilities receives instruction for fewer hours than the majority of students in the same grade and school district.

Abbreviated school day policy. The bill requires that Colorado Department of Education (CDE) create and implement a policy related to the use of an ASD, which includes:

- the definition of an ASD and when the use of them is permissible;
- a requirement that students with ASDs not be excluded from field trips, extracurricular activities, and other school functions;
- recordkeeping and documentation requirements;
- a regular review process to determine whether to continue the ASD schedule; and
- information for parents to consent to or oppose the ASD schedule for their child.

The State Board of Education must adopt rules for the policy.

Administrative unit responsibilities. Each administrative unit (AU) must adopt the policy created by CDE and create a plan to support a student with disabilities who is assigned an ASD. The bill also requires that AUs annually report certain information on abbreviated school days to CDE by July 1, 2026. CDE must post the reports by November 1, 2026 and each year thereafter.

CDE duties. The bill requires that CDE:

- provide ongoing technical assistance to AUs;
- apply the relevant provisions of the federal Individuals with Disabilities Act (IDEA) to eliminate the frequent and long-term use of abbreviated school days;
- provide annual training to AUs on how abbreviated school days impact the state's compliance with federal law; and
- post the reports submitted by AUs by November 1, 2026 and each year thereafter, and include a summary in their SMART Act hearing beginning in 2027.

Background

An AU is the entity responsible for providing services to students with disabilities. An AU may be a school district, Board of Cooperative Education Services (BOCES), the state Charter School Institute, or other education provider such as the School for the Deaf and Blind, the Department of Corrections and the Division of Youth Services in the Department of Human Services.

State Expenditures

The bill increases state expenditures in CDE by about \$220,000 in FY 2024-25 and \$137,000 beginning in FY 2025-26, paid from the General Fund. Costs are listed Table 2 and discussed below.

Table 2
Expenditures Under HB 24-1063

	FY 2024-25	FY 2025-26
Department of Education		
Personal Services	\$140,502	\$107,764
Operating Expenses	\$1,536	\$1,280
Capital Outlay Costs	\$6,670	\$6,670
Data Collection	\$43,700	-
Centrally Appropriated Costs ¹	\$26,973	\$21,603
Total Cost	\$219,381	\$137,317
Total FTE	1.2 FTE	1.0 FTE

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

Colorado Department of Education. The bill increases costs for CDE to develop the policy, provide training and technical assistance for AUs, and handle additional complaints as a result of the policy.

- **Staff.** In FY 2024-25, CDE requires 1.2 FTE to handle policy development, rulemaking, technical assistance and training. Beginning in FY 2025-26, 0.5 FTE is required to provide ongoing technical assistance and annual training to AUs, and 0.5 FTE is required address complaints related to compliance with the policy. Staffing costs are estimated based on similar policy development and implementation for students with disabilities in prior legislation. Standard capital outlay and operating costs are included.
- **Data collection costs.** In FY 2024-25 only, CDE requires \$43,700 to make one-time modifications to the data collection system to include the data required by the bill.

Department of Law. The bill may increase workload for the Department of Law to provide legal support for rulemaking and complaints to CDE. This additional workload is expected to be less than 100 hours of additional legal services, which can be accomplished within existing resources; no change in appropriations is required.

State agency administrative units. The bill increases workload by a minimal amount for state entities that serve as an AU, including the state Charter School Institute, School for the Deaf and Blind, the Department of Corrections and the Department of Human Services to adopt the required policies and submit the required data. 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 shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent 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 the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

School District

Many school districts serve as the AU responsible for serving students with disabilities. These school districts will have increased workload and potentially costs to adopt the required policies, participate in training, and submit the data to CDE. Exact impacts will depend on current district policies, the use of abbreviated school days, and the number of students with disabilities.

Effective Date

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

State Appropriations

For FY 2024-25, the bill requires a General Fund appropriation of \$192,408 to the Colorado Department of Education, and 1.2 FTE.

State and Local Government Contacts

Corrections
Human Services

Early Childhood
Law

Education

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).