



Colorado General Assembly
Joint Budget Committee

JOINT BUDGET COMMITTEE STAFF FY 2020-21 BUDGET BRIEFING SUMMARY

*Department of Education
School Finance Only*

The Department of Education supports the State Board of Education in its duty to exercise general supervision over public schools, including accrediting public schools and school districts. The Department distributes state and federal funds to school districts, and it administers a variety of education-related programs, including educator licensure, education programs for children with special needs, English language proficiency programs, the Colorado Preschool Program, and a variety of grant programs. The Department develops and maintains state model content standards, and administers associated assessments. The Department also includes three independent agencies: (1) the Board of Trustees for the Colorado School for the Deaf and the Blind; (2) the State Charter School Institute Board, which is responsible for authorizing and monitoring institute charter schools; and (3) the Public School Capital Construction Assistance Board, which is responsible for assessing public school capital construction needs statewide and making recommendations concerning the prioritization of state financial assistance for school construction projects. The Department's FY 2019-20 appropriation represents approximately 19.0 percent of statewide operating appropriations and 36.1 percent of statewide General Fund appropriations.

FY 2019-20 APPROPRIATION AND FY 2020-21 REQUEST

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2019-20 APPROPRIATION:						
SB 19-207 Long Bill	5,851,129,906	4,190,124,616	999,232,465	42,327,029	619,445,796	605.4
HB 19-1262 Full-day kindergarten	173,972,108	173,972,108	0	0	0	0.0
SB 19-246 School finance	38,775,902	37,675,902	1,100,000	0	0	1.3
HB 19-1055 Public school capital construction assistance	80,656,559	0	80,656,559	0	0	0.0
Other legislation	41,363,294	3,397,939	37,715,355	250,000	0	9.7
TOTAL	\$6,185,897,769	\$4,405,170,565	\$1,118,704,379	\$42,577,029	\$619,445,796	616.4
FY 2020-21 REQUESTED APPROPRIATION:						
FY 2019-20 Appropriation	\$6,185,897,769	4,405,170,565	\$1,118,704,379	\$42,577,029	\$619,445,796	616.4
R1/BA2 Total program increase	122,601,636	7,393,370	115,208,266	0	0	0.0
R2 Categorical programs increase	5,746,857	0	5,746,857	0	0	0.0
R3 CSDB teacher salary increase	79,329	79,329	0	0	0	0.0
R4 CSDB utilities	59,542	59,542	0	0	0	0.0
R5 Concurrent enrollment for educators	539,190	539,190	0	0	0	0.0
R6 CPP Expansion	27,627,017	27,627,017	0	0	0	0.0
R7 Departmental infrastructure	664,425	318,561	0	345,864	0	6.2
R8 CSI mill levy override equalization	10,000,000	5,000,000	0	5,000,000	0	0.0
R9 Empowering parents with school information	499,745	499,745	0	0	0	1.8
R10 Educator evaluations	500,000	500,000	0	0	0	0.9
R11 Grants for early childhood facilities	10,000,000	0	10,000,000	0	0	0.0

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R12/BA3 Expand eligibility for school improvement	5,000,000	5,000,000	0	0	0	0.0
BA4 Transfer GF to SEF	0	0	0	0	0	0.0
BA5 Concurrent enrollment grant program increase	1,000,000	1,000,000	0	0	0	0.0
BA6 Student re-engagement grant program increase	2,000,000	2,000,000	0	0	0	0.0
BA7 Career development success program increase	2,000,000	2,000,000	0	0	0	0.0
Non-prioritized items	12,378	8,462	1,505	2,411	0	0.0
Centrally appropriated items	2,401,705	1,100,962	498,389	426,997	375,357	0.0
Annualize prior year budget actions	(3,427,948)	(3,002,948)	(425,000)	0	0	0.0
Annualize prior year legislation	(901,469)	(8,923,036)	8,142,204	(218,717)	98,080	0.5
TOTAL	\$6,372,300,176	\$4,446,370,759	\$1,257,876,600	\$48,133,584	\$619,919,233	625.8
INCREASE/(DECREASE)	\$186,402,407	\$41,200,194	\$139,172,221	\$5,556,555	\$473,437	9.4
Percentage Change	3.0%	0.9%	12.4%	13.1%	0.1%	1.5%

Note: Statute (Section 22-2-106 (1)(d), C.R.S.) requires the State Board of Education to “approve the annual budget request for the department prior to submission.” Thus, the State Board annually discusses decision items for inclusion in the budget request, although the Department reports that the State Board has not generally considered requests by the Department’s three Type 1 agencies. (R3, R4, and R8 for FY 2020-21). For FY 2020-21, the State Board reviewed and approved requests R1 (Total Program Increase), R2 (Categorical Programs Increase) and R7 (Departmental Infrastructure). Following that review, the Governor’s Office modified request R7 and added the majority of the remaining decision items and budget amendments, often with the technical assistance of program staff at the Department of Education. Thus, staff notes that the State Board has only officially reviewed and approved 3 of the 18 decision items and budget amendments proposed for FY 2020-21.

R1/BA2 TOTAL PROGRAM INCREASE: The Department’s request includes a net increase of \$122.6 million total funds for the state share of districts’ total program funding (including \$7.4 million General Fund and \$115.2 million cash funds). Based on the Office of State Planning and Budgeting (OSPB) September 2019 Revenue Forecast, and including OSPB’s projection of local revenues, the proposal would: (1) increase statewide average per pupil funding by \$219.83 (2.6 percent); and (2) decrease the dollar value of the budget stabilization factor by \$52.0 million (from \$572.4 million in FY 2019-20 to \$520.4 million in FY 2020-21, or 9.1 percent). The request does not specify a budget stabilization factor for FY 2021-22 or subsequent years. The Committee should note that this request requires separate legislation to set the total program amount and the budget stabilization factor for FY 202-21 (generally accomplished through the annual school finance bill).

R2 CATEGORICAL PROGRAMS INCREASE: Amendment 23 requires the General Assembly to increase total state funding for all categorical programs (in aggregate) by at least the rate of inflation in FY 2020-21. The request, based on the OSPB-projected inflation rate for CY 2019 (1.7 percent), seeks an increase of \$5.7 million cash funds from the State Education Fund to support the required increase. The request proposes to allocate the increase among six programs. The following table shows the requested allocation of additional funds by program. See Appendix C for a discussion of the Department’s response to a request for information associated with categorical funding. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R2 REQUESTED INCREASES IN STATE FUNDING FOR CATEGORICAL PROGRAMS				
LONG BILL LINE ITEM	FY 2019-20 APPROPRIATION	FY 2020-21 REQUEST	CHANGE IN STATE FUNDING	PERCENT CHANGE
Special Education - Children with Disabilities	\$202,700,611	\$205,597,976	\$2,897,365	1.4%
English Language Proficiency Program	22,994,436	24,433,999	1,439,563	6.3%
Public School Transportation	60,480,645	61,356,451	875,806	1.4%
Career and Technical Education Programs	27,238,323	27,670,102	431,779	1.6%
Special Education - Gifted and Talented Children	12,697,199	12,798,482	101,283	0.8%
Expelled and At-risk Student Services Grant Program	9,493,560	9,493,560	0	0.0%
Small Attendance Center Aid	1,314,250	1,315,311	1,061	0.1%
Comprehensive Health Education	1,131,396	1,131,396	0	0.0%
Total	\$338,050,420	\$343,797,277	\$5,746,857	1.7%

R3 CSDB TEACHER SALARY INCREASE: The request includes an increase of \$79,329 General Fund for salary increases for teachers employed at the Colorado School for the Deaf and the Blind (CSDB). Statute (Sec. 22-80-106.5, C.R.S.) requires the CSDB to compensate teachers based on the Colorado Springs District 11 salary schedule, using the CSDB's salary policies to implement the salary schedule. To align with the revised District 11 salary schedule for FY 2019-20 (the CSDB salaries lag District 11 by one year), the request would provide: (1) a 0.7 percent base salary increase; and (2) step increases based on experience. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R4 CSDB UTILITIES: The request includes an increase of \$59,452 General Fund to accommodate projected increases in utility costs at CSDB in FY 2020-21, an increase of 9.5 percent above the FY 2019-20 appropriation. In response to a shortfall in FY 2018-19 (which the school absorbed through savings and deferred operating expenses), the General Assembly increased the appropriation by \$25,000 for FY 2019-20. However, the school's projections still anticipate a shortfall of \$59,452 in FY 2020-21. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R5 CONCURRENT ENROLLMENT FOR EDUCATORS: The Governor's Office is requesting an increase of \$539,190 General Fund to create a concurrent enrollment pilot program for future educators in response to the teacher shortage. Based on a model in the Cherry Creek School District (according to the Department, FY 2019-20 is the first year in which the program is running), the Department has indicated that participating students would: (1) enroll in the program in 10th grade; (2) earn a paraprofessional credential while in high school; and (3) be able to complete a teaching credential in three semesters following high school. At an estimated cost of approximately \$5,995 in state funds per student over three years, the proposed program would support pilot programs in six school districts, with fifteen participating students in each district. The Committee should note that this request requires separate legislation. The Governor's Office is not requesting this as a JBC bill. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R6 CPP EXPANSION: The Governor's Office is requesting an increase of \$27.6 million General Fund to add 6,515 half-day slots to the Colorado Preschool Program (CPP), which is funded through the State Share of Districts' Total Program Funding line item. The Governor's Office estimates that the increase would allow the program to serve an additional 5,977 3- and 4-year old children through a combination of full- and half-day positions. The request represents a 22.2 percent increase above the existing authorization for 29,360 CPP slots, and the Governor's Office estimates that the request would allow the CPP to serve approximately 50.0 percent of the students that would be eligible for the CPP (based on the risk factors identified in statute). The Committee should note that the number of CPP slots is specified in statute and this request requires separate legislation. The Governor's Office is not requesting this as a JBC bill.

R7 DEPARTMENTAL INFRASTRUCTURE: The Department's/State Board's request includes an increase of \$664,425 total funds, including \$318,561 General Fund and \$345,864 reappropriated funds, and 6.2 FTE in FY 2020-21 (annualizing to \$660,192 total funds and 6.5 FTE in FY 2021-2022 and beyond) to support additional Departmental administration staff. In response to increasing statutory requirements and increasing workload, the request includes the following components: (1) \$235,114 General Fund and 1.8 FTE to support two additional information technology (IT) professional positions; (2) \$188,496 reappropriated funds and 2.0 FTE to support additional purchasing staff in response to growing workload in terms of requests for proposals, etc.; (3) \$114,820 reappropriated funds and 1.0 FTE for an additional human resources specialist; (4) \$83,447 General Fund and 0.9 FTE to improve the coordination and efficiency of the Department's grant making process; and (5) \$42,458 reappropriated funds and 0.5 FTE for payroll administration. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R8 CSI MILL LEVY OVERRIDE EQUALIZATION: The State Charter School Institute is requesting an increase of \$10.0 million total funds, including \$5.0 million General Fund appropriated to the Mill Levy Equalization Fund created in H.B. 18-1375 and \$5.0 million reappropriated funds to appropriate those funds out of the cash fund, for mill levy override equalization payments to Colorado Charter School Institute (CSI) schools in FY 2020-21. The request adds to an appropriation of \$14.0 million total funds (including \$7.0 million General Fund and \$7.0 million reappropriated funds) provided in FY 2019-20. As a result, the proposed appropriation would distribute a total of \$12.0 million to CSI schools in FY 2020-21 for mill levy override equalization. For context, CSI staff estimates that complete equalization of override revenues for CSI schools (equaling override revenues available per pupil in the schools' accounting districts) would require \$33.9 million General Fund in FY 2020-21. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R9 EMPOWERING PARENTS WITH SCHOOL INFORMATION: The Governor's Office is requesting an increase of \$499,745 General Fund and 1.8 FTE in FY 2020-21 (annualizing to \$232,869 General Fund and 2.0 FTE in FY 2021-22) to improve data quality, accessibility, and transparency in SchoolView, the State's school and school district data dashboard. The request for FY 2020-21 includes \$223,745 for two new permanent IT professional positions and \$276,000 for one-time costs for contract personnel. Federal law requires all states to have school, district, and state report cards that provide access to information about school performance. According to the Department, the current system (created in 2010 using 2008 Oracle technology) no longer connects to some of the Department's data and is increasingly obsolete, costly, and difficult to maintain. Finally, the Department reports that the U.S. Department of Education's Office of Civil Rights has found SchoolView to be out of compliance with federal accessibility requirements associated with the Americans with Disabilities Act. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R10 EDUCATOR EVALUATIONS: The Governor's Office is requesting an increase of \$500,000 General Fund and 0.9 FTE in FY 2020-21 (annualizing to \$500,000 and 1.0 FTE in FY 2021-22 and beyond) to improve evaluations and supports for educators. The request includes three components: (1) \$282,788 and 0.9 FTE to provide free training for school district evaluators to improve evaluations; (2) \$66,000 to offer a repository of differentiated evaluation rubrics targeting school districts' different evaluation needs; and (3) \$151,212 to provide grants to school districts looking to experiment with innovative approaches to evaluation such as video evaluations and peer evaluations. The Committee should note that this request requires separate legislation. The Governor's Office is not requesting this as a JBC bill. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R11 GRANTS FOR EARLY CHILDHOOD FACILITIES: The Governor’s Office is requesting an increase of \$10.0 million cash funds from the Public School Capital Construction Assistance Fund for grants for the improvement and development of early childhood care and education facilities. The Department has indicated an intent to repurpose \$10.0 million currently required for appropriation to the B.E.S.T. program’s cash grants line item in FY 2020-21 to support the grants. The request proposes statutory change to authorize the use of B.E.S.T. funds for grants for both school-based and community-based (including non-profit and for profit) early childhood and preschool facilities. The Committee should note that this request requires separate legislation. The Governor’s Office is not requesting this as a JBC bill. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

R12/BA3 EXPAND ELIGIBILITY FOR SCHOOL IMPROVEMENT: With R12 and BA3 (submitted on November 13, 2019), the Governor’s Office is requesting an increase of \$5.0 million General Fund (\$1.0 million through R12 and \$4.0 million through BA3) to provide additional grants through the School Transformation Grant Program. The Governor’s Office has proposed the \$1.0 million in R12 as an ongoing increase in funding and the \$4.0 million in BA3 as a one-time appropriation to be spent over a three-year period (through FY 2022-23). Under current law, only schools classified as Turnaround or Priority Improvement status (the lowest two categories) are eligible for transformation grant funds. The request proposes statutory change and additional funding to expand eligibility to include: (1) schools in the Improvement category that are close to falling into Priority Improvement status; and (2) schools that are on “watch” status because they were recently classified as Turnaround or Priority Improvement status. The Committee should note that expanding eligibility for the grant funds request requires statutory change through separate legislation. The Governor’s Office is not requesting this as a JBC bill. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

BA4 TRANSFER GF TO SEF: With BA4, the Governor’s Office is proposing a one-time (statutory) transfer of \$12.0 million General Fund to the State Education Fund. The request proposes to increase the ending balance/reserve in the State Education Fund by \$12.0 million (from a target balance of \$140 million proposed in request R1 on November 1, 2019, to a target of \$152 million with BA4) for use in subsequent years. The Committee should note that this request requires separate legislation. The Governor’s Office is not requesting this as a JBC bill. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

BA5 CONCURRENT ENROLLMENT GRANT PROGRAM INCREASE: With BA5, the Governor’s Office is requesting a one-time increase of \$1.0 million General Fund for the Concurrent Enrollment Expansion and Innovation Grant Program created in S.B. 19-176 (Expanding Concurrent Enrollment Opportunities). The program offers grants to assist schools and districts in offering concurrent enrollment opportunities and either initiating or strengthening partnerships with institutions of higher education. Senate Bill 19-176 appropriated \$1.5 million cash funds from the State Education Fund to support the grant program in FY 2019-20. The Department reports that the current year appropriation falls \$1.0 million short of fully funding the grant applications received for FY 2019-20. The Department also expects growth in the number of applications for FY 2020-21 and estimates that the additional resources would support grants for 20 more partnerships (at an estimated \$50,000 per partnership). [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

BA6 STUDENT RE-ENGAGEMENT GRANT PROGRAM INCREASE: The November 13, 2019, budget amendments include a request for a one-time increase of \$2.0 million General Fund for the Student Re-engagement Grant Program (to be spent over three years). Originally created in H.B. 09-1243 (Increase High School Graduation Rates) and funded through the Office of Dropout Prevention and Student Re-engagement, the program provides competitive multi-year (up to three-year) grants to high needs school districts and schools to implement evidence based practices to help sustain student engagement at the secondary level and to re-engage students that have dropped out. The grant program

currently receives an annual appropriation of \$2.0 million cash funds from the Marijuana Tax Cash Fund, to which the request would add \$2.0 million General Fund on a one-time basis for FY 2020-21. The current appropriation is funding 11 out of 37 school districts that applied, and the Department estimates that the increase would allow the program to serve an additional eight to ten applicants with three-year grants starting in FY 2020-21. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

BA7 CAREER DEVELOPMENT SUCCESS PROGRAM INCREASE: The Governor’s Office is requesting a one-time increase of \$2.0 million General Fund expand the Career Development Success Program to pay incentives for the participating school districts and charter schools that encourage high school students to complete a qualified workforce program (increasing from \$5.0 million in FY 2019-20 to \$7.0 million in FY 2020-21. The requested \$2.0 million (one-time) increase would build on an ongoing increase of \$3.0 million that the General Assembly approved for FY 2019-20. [This request was addressed in during the JBC Staff Briefing for programs other than school finance on November 21, 2019.]

NON-PRIORITIZED ITEMS: The request includes increases totaling \$12,378 total funds (including \$8,462 General Fund) for items requested by other agencies that impact this department. The table below itemizes the two non-prioritized items requested for FY 2020-21.

NON-PRIORITIZED ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT Budget request package	\$9,849	\$5,933	\$1,505	\$2,411	\$0	0.0
DPA Annual fleet vehicle request	2,529	2,529	0	0	0	0.0
TOTAL	\$12,378	\$8,462	\$1,505	\$2,411	\$0	0.0

CENTRALLY APPROPRIATED ITEMS: The request includes an increase of \$2.4 million total funds (including \$1.1 million General Fund) related to employee benefits and other centrally appropriated items. The following table summarizes the requested changes.

CENTRALLY APPROPRIATED ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$1,076,326	\$345,293	\$175,092	\$134,441	\$421,500	0.0
Health, life, and dental	648,956	376,953	95,604	153,159	23,240	0.0
Legal services	325,305	188,040	128,918	8,347	0	0.0
Payments to OIT	249,301	107,001	37,120	105,180	0	0.0
AED	107,750	43,666	30,715	30,353	3,016	0.0
SAED	107,750	43,666	30,715	30,353	3,016	0.0
CORE operations	81,078	21,098	90,095	(30,115)	0	0.0
Paid family leave	67,392	57,379	0	10,013	0	0.0
Capitol Complex leased space	37,213	11,164	4,458	7,238	14,353	0.0
Short-term disability	3,776	1,535	1,058	1,040	143	0.0
Workers’ compensation	(117,928)	(52,675)	(15,389)	(7,969)	(41,895)	0.0
Administrative law judge services	(92,183)	0	(76,272)	(15,911)	0	0.0
PERA Direct Distribution	(67,796)	(16,923)	(3,725)	868	(48,016)	0.0
Payment to risk management / property funds	(21,234)	(21,234)	0	0	0	0.0
Shift differential	(4,001)	(4,001)	0	0	0	0.0
TOTAL	\$2,401,705	\$1,100,962	\$498,389	\$426,997	\$375,357	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes adjustments to reflect the FY 2020-21 impact of budget actions and decision items included in prior year Long Bill appropriations. The table below summarizes each annualization for FY 2020-21.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 19-20 R4 Funding for school turnaround	\$117,194	\$117,194	\$0	\$0	\$0	0.0
FY 19-20 R3 Schools of choice	19,505	19,505	0	0	0	0.0
FY 19-20 R9 ELC educator talent priorities	(3,000,000)	(3,000,000)	0	0	0	0.0
FY 19-20 R5 CPP tax checkoff	(425,000)	0	(425,000)	0	0	0.0
FY 2019-20 Salary survey	(89,647)	(89,647)	0	0	0	0.0
Educator perception	(50,000)	(50,000)	0	0	0	0.0
TOTAL	(\$3,427,948)	(\$3,002,948)	(\$425,000)	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes adjustments to reflect the FY 2020-21 impact of legislation passed in prior years, including the adjustments shown in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 19-1262 Full-day kindergarten	\$9,841,065	\$9,841,065	\$0	\$0	\$0	0.0
HB 19-1055 Public School Capital Construction Financial Assistance	5,656,559	0	5,656,559	0	0	0.0
HB 19-1017 K5 Social and Emotional Health	2,456,886	0	2,456,886	0	0	0.6
HB 19-1132 School Incentives to Use Colorado Food and Produce	506,313	506,313	0	0	0	0.1
HB 19-1002 Leadership professional development for school principals	478,686	478,686	0	0	0	0.1
SB 18-200 PERA	250,459	80,346	40,750	31,283	98,080	0.0
HB 19-1277 Computer science grant program	250,000	250,000	0	0	0	0.0
SB 19-199 READ Act implementation	73,506	62,393	11,113	0	0	0.3
HB 19-1171 Expand Child Nutrition School Lunch Protection	14,376	14,376	0	0	0	0.0
SB 19-204 Public school local accountability systems	1,170	1,170	0	0	0	0.1
HB 19-1236 Workforce diploma pilot program	21	21	0	0	0	0.0
HB 18-1306 Improving educational stability for foster youth	0	0	0	0	0	0.0
SB 19-246 School finance	(20,000,000)	(20,000,000)	0	0	0	0.0
HB 19-1332 Disabled telephone users fund CTBL	(250,000)	0	0	(250,000)	0	0.0
HB 19-1120 Youth mental health education and suicide prevention	(69,842)	(69,842)	0	0	0	(0.3)
HB 18-1019 K12 accreditation weighted factors	(52,500)	(52,500)	0	0	0	0.0
SB 19-176 Expanding concurrent enrollment	(35,884)	(12,780)	(23,104)	0	0	(0.4)
HB 19-1110 Media literacy	(19,816)	(19,816)	0	0	0	0.0
SB 19-216 High school innovative learning pilot	(2,468)	(2,468)	0	0	0	0.0
TOTAL	(\$901,469)	(\$8,923,036)	\$8,142,204	(\$218,717)	\$98,080	0.5

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

SCHOOL FINANCE ACT FUNDING PROJECTIONS: Current law requires the General Assembly to provide at least enough funding for school finance in FY 2020-21 to maintain the budget stabilization factor at no more than the dollar amount from FY 2019-20 (\$572.4 million based on the current FY 2019-20 appropriation). Based on current Legislative Council Staff estimates of revenues and pupil counts, maintaining the budget stabilization factor at \$572.4 million in FY 2020-21 would require an additional \$78.6 million in state funding above the current FY 2019-20 appropriation. As a result of the projected availability of additional cash funds for FY 2020-21, that amount includes a decrease of \$7.4 million General Fund that would be offset by an increase of \$86.0 million from cash fund sources.

UNIFORM MILL LEVY STAKEHOLDER FEEDBACK AND LEGISLATIVE RECOMMENDATIONS: For the past three years (starting with the FY 2017-18 budget process), the Committee has discussed taxpayer inequity in the local share of school finance and the resulting impacts on the state share of total program funding, the distribution of state funds for school finance, and the overall state budget. During the 2019 Session, the Committee discussed potential legislation seeking to address inequities in the school finance property tax system. The Committee tasked staff with gathering input on the legislative proposals and returning with recommendations based on that feedback. Based on the feedback received during the interim, staff is returning to the Committee with more detailed recommendations for legislation for the 2020 Session.

SCHOOL FINANCE BILL LOGISTICS: During the JBC Staff Budget Briefing on Department of Education programs outside of school finance, the Committee asked staff to provide information regarding the system and process for the annual school finance bill. Other than a deadline for final passage of the bill (generally set for the 101st day of the Session), there is no set process for the bill. Prior to 2011, the deadline schedule would have run the school finance bill ahead of the Long Bill. However, in recent years the schedule has allowed introduction to follow the Long Bill. The bill is generally, but not always, sponsored by the chairs of the Education Committees. To the extent that the General Assembly intends to add significant additional funding through the school finance bill, communication between the Joint Budget Committee, chamber leadership, and the leadership of the Education Committees may be necessary to ensure that funds remain available.

FOR MORE INFORMATION

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TO READ THE ENTIRE BRIEFING: http://leg.colorado.gov/sites/default/files/fy2020-21_edubrf2.pdf