



Fiscal Summary

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Measure: Initiative 281 – PUBLIC SCHOOL ENROLLMENT AND CHARTER SCHOOL INSTITUTE

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Fiscal Summary of Initiative 281

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at leg.colorado.gov/bluebook. This fiscal summary identifies the following impact.

State Expenditures

The measure may result in additional charter schools receiving authorization from the State Charter School Institute (CSI) in the Colorado Department of Education. An increase in the number of CSI schools will increase the amount of funding the state contributes to school finance, since CSI schools do not receive local funding. The exact impact depends on the school district in which new CSI schools are geographically located and the number of students enrolled. This increase in state expenditures may be offset to the extent the students enrolled in the new CSI schools would otherwise have been enrolled in a school district school.

If new CSI schools are geographically located in a district with mill levy overrides, state expenditures will increase to provide mill levy equalization funding to those schools. Mill levy equalization currently ranges from \$900 to \$4,000 per student. Since these expenses depend on future authorization decisions, the geographic location of future CSI schools, and the number of students enrolled, an estimate of this increase cannot be made.

The measure will also increase administrative costs and workload in the Schools of Choice Unit in the Colorado Department of Education to update guidance and technical assistance documents that assist schools with open enrollment options, and parents and students with understanding their rights.

Expenses for legal services from the Department of Law may also increase to assist the Department of Education with interpreting and implementing the measure. The exact increase in legal costs to the state cannot be estimated.

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Local Government

The measure impacts school districts in several ways. If school boards modify current rules and policies to align with the measure, local spending on education and revenue from activity fees may change. To the extent students choose to instead enroll in a CSI school, district funding may decrease. Similar to the state, the measure may also lead to an increase in litigation against school districts from disputes related to school choice. Exact costs cannot be estimated.

Economic Impacts

The measure has no direct or immediate impact on the state's economy.