



**Colorado  
Legislative  
Council  
Staff**

**HB17-1178**

**FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-0103  
**Prime Sponsor(s):** Rep. Wilson

**Date:** March 2, 2017  
**Bill Status:** House Education  
**Fiscal Analyst:** Josh Abram (303-866-3561)

**BILL TOPIC:** ADMINISTRATIVE FLEXIBILITY FOR SCHOOL DISTRICTS

<b>Fiscal Impact Summary</b>	<b>FY 2017-2018</b>	<b>FY 2018-2019</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	Minimal workload increase.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Ongoing minimal workload increase.		

**Summary of Legislation**

The bill allows a rural school district to hire nonlicensed teachers if the district has advertised one or more teacher vacancies for at least one month and has determined there are insufficient qualified applicants for the positions. If these conditions are met, the locally elected school board may adopt a resolution declaring a critical shortage of licensed teachers. While the resolution is in effect, the board may hire one or more nonlicensed teachers. The board is not required to replace these individuals with licensed teachers following the expiration of the resolution.

The bill also allows a rural school district, a group of rural districts, or a Board of Cooperative Educational Services (BOCES) to apply to the State Board of Education (SBE) for a waiver of state statutes or SBE rules. The SBE is required to grant the waivers if the district or BOCES can demonstrate how:

- the applicant will meet the intent of each waived statute or rule;
- waiving the statute or rule will save time or resources of the applicant; and
- waiving the statute or rule will enhance educational opportunity, and not result in a decrease in academic achievement in the affected school district(s).

**Background**

Colorado statutes apply to all public schools, including charter schools and innovation schools, unless waived by the State Board of Education (SBE). Waivers are granted in response to approved charter school applications, approved innovation plans, or via special request of a

school district. Charter schools are automatically exempt from a number of state statutes, in addition to being exempt from district rules that the schools may negotiate with their authorizer as part of the charter agreement. State waivers grant authority to charter school boards concerning:

- competitive bidding;
- employment of educational staff;
- provisions for termination, salary schedules, and reimbursing employee expenses;
- policies relating to professional development of staff and official staff conduct;
- determination of teacher-pupil contact hours;
- the selection of educational programs;
- the procurement of life, health, or accident insurance; and
- attendance polices and excused absences.

Waivers of statute or rule cannot be granted concerning school finance, special education, or school or district accountability.

### **State Expenditures**

The bill minimally increases workload for the Colorado Department of Education (CDE) to prepare waiver requests and recommendations for consideration by the SBE, and to support rural districts in preparing replacement plans for statutes and rules the district requests to waive. Support includes reviewing draft plans, providing feedback and technical assistance, and submitting waiver requests to the SBE. These workload increases do not require additional appropriations.

### **School District Impact**

The bill potentially reduces administrative burdens in districts that choose to seek waivers from various state statutes and SBE rules. Local school districts that choose to hire nonlicensed teachers will be unable to assign these teachers to programs that receive federal funding for special education or for preschool grants, as these programs require assurance to the US Department of Education that the state only uses these funds in programs with properly licensed and endorsed staff. For FY 2016-17, these federal funds are approximately \$16.7 million.

### **Effective Date**

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

### **State and Local Government Contacts**

Education

School Districts