



Legislative Council Staff  
Nonpartisan Services for Colorado's Legislature

# Fiscal Note

<b>Drafting Number:</b>	LLS 21-0858	<b>Date:</b>	May 23, 2021
<b>Prime Sponsors:</b>	Sen. Moreno; Rankin Rep. McCluskie	<b>Bill Status:</b>	Senate HHS
		<b>Fiscal Analyst:</b>	Anna Gerstle   303-866-4375 Anna.Gerstle@state.co.us

**Bill Topic:** CHILD FIND RESPONSIBILITIES

<b>Summary of Fiscal Impact:</b>	<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 type="checkbox"/> Statutory Public Entity

The bill moves responsibility for Part C Child Find activities from the Colorado Department of Education to the Colorado Department of Human Services, beginning July 1, 2022. The bill increases state expenditures on an ongoing basis.

**Appropriation Summary:** In FY 2021-22, this bill includes an appropriation of \$8.3 million to the Colorado Department of Human Services, of which \$6.9 million is reappropriated to the Colorado Department of Education.

**Fiscal Note Status:** This fiscal note reflects the introduced bill. The bill is recommended by the Joint Budget Committee.

**Table 1  
State Fiscal Impacts Under SB 21-275**

		Budget Year FY 2021-22	Out Year FY 2022-23
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$8,266,779	\$7,847,017
	Centrally Appropriated	\$14,954	\$45,241
	<b>Total Expenditures</b>	<b>\$8,281,733</b>	<b>\$7,892,258</b>
	<b>Total FTE</b>	<b>0.9 FTE</b>	<b>1.0 FTE</b>
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## Summary of Legislation

Part C of the federal Individuals with Disabilities Education Act (IDEA) requires states to identify, evaluate, and serve children with disabilities from birth through age two, while Part B requires states to identify, evaluate, and serve children with disabilities from ages three to 21. The Colorado Department of Human Services (CDHS) is the state's lead agency for implementing Part C; however, since 2007, the Colorado Department of Education (CDE) and special education administrative units have been conducting Part C evaluations.

The bill transfers responsibilities for implementing Part C from the CDE to the CDHS beginning July 1, 2022, except that CDHS will administer the referral intake process for Part C ChildFind evaluations beginning May 1, 2022. The bill also requires that CDE and CDHS enter into an interagency agreement to coordinate the transitions of children from Part C to Part B.

## State Expenditures

The bill increases state General Fund expenditures in CDHS by \$8.3 million in FY 2021-22, and by \$7.9 million in FY 2022-23. Costs are listed in Table 2 and discussed below.

**Table 2**  
**Expenditures Under SB 21-275**

<b>Cost Components</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>
<b>Department of Human Services</b>		
Personal Services	\$65,801	\$190,551
Operating Expenses	\$1,215	\$4,050
Capital Outlay Costs	\$6,200	\$12,400
Implementation Costs	\$1,304,580	\$7,640,016
Reappropriated to CDE	\$6,888,983	-
Centrally Appropriated Costs <sup>1</sup>	\$14,954	\$45,241
<b>Total</b>	<b>\$8,281,733</b>	<b>\$7,892,258</b>
<b>Total FTE</b>	<b>0.9 FTE</b>	<b>2.8 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**CDHS.** In FY 2021-22, CDHS will hire 1.0 FTE to oversee the transition to CDHS and develop training for evaluators and in-take coordinators. In FY 2022-23, CDHS will add 2.0 additional FTE, a public awareness coordinator and a contract administrator to handle fiscal duties. Staffing costs for FY 2021-22 are prorated for the General Fund paydate shift.

The remainder of the funds will be used for activities associated with implementing ChildFind in CDHS. Most of the implementation funds will be used to conduct child evaluations, estimated at \$500 each for over 15,000 evaluations per full fiscal year. Other costs include hiring regional intake coordinators; adding an evaluation function to a current data system and purchasing software licenses; developing public awareness and training materials; and establishing a statewide call center.

**CDE.** Currently, state categorical funds for special education are used for Part C evaluations conducted by administrative units. In FY 2021-22 only, the bill reappropriates \$6.9 million to CDE for these evaluations, replacing the categorical funds, which will be shifted on an ongoing basis to provide services to students ages 3 to 21. The bill will also increase workload for CDE by a minimal amount to develop the interagency agreement with CDHS.

**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 estimated to be \$14,954 in FY 2021-22, and \$45,241 in FY 2022-23.

## Effective Date

The bill takes effect July 1, 2022, except that sections 4, 5, 10, 12, 15, and 16 take effect upon passage.

## State Appropriations

In FY 2021-22, the bill includes as an appropriation of \$8,266,779 from the General Fund to the Colorado Department of Human Services. Of that amount, \$6,888,983 is reappropriated to the Colorado Department of Education.

## State and Local Government Contacts

Education

Human Services

Information Technology