



Legislative Council Staff

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Final Fiscal Note

Drafting Number: LLS 22-0650 Date: September 6, 2022
Prime Sponsors: Rep. Van Winkle; Neville Bill Status: Signed into Law
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Bill Topic: SCHOOL SECURITY DISBURSEMENT PROGRAM RECREATION

Summary of Fiscal Impact:
State Revenue [] TABOR Refund []
State Expenditure [x] Local Government []
State Transfer [] School District [x]

This bill recreates a program in the Department of Public Safety to disburse funds to local education providers to make school security-related improvements. It increases state expenditures in FY 2022-23 and FY 2023-24 only, and increases school district revenue and expenditures over the same period.

Appropriation Summary: No appropriation is required. See State Appropriations Section.

Fiscal Note Status: The fiscal note reflects the enacted bill

Table 1
State Fiscal Impacts Under HB 22-1120

Table with 3 columns: Category, Budget Year FY 2022-23, and Out Year FY 2023-24. Rows include Revenue, Expenditures (Cash Funds, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and Other Budget Impacts.

Summary of Legislation

This bill recreates the School Security Disbursement Program in the Department of Public Safety (DPS). The program provides funding to local education providers (LEPs) and eligible nonprofit entities to improve security in public schools. The program is repealed effective July 1, 2032.

The DPS shall disburse money to applicants from money credited to the School Security Disbursement Cash Fund, created in House Bill 22-1243, a bill currently under consideration by the General Assembly. This bill requires that the department distribute the money credited to the fund as quickly as practicable based on the receipt of qualifying applications.

An LEP or other eligible entity must apply to the DPS for funding and provide specified information in the application. The DPS must review and approve applications and disburse funds. Funds may be used for:

- capital construction to improve the security of a public school facilities or vehicles;
- training for threat assessment;
- training for peace officers on interactions with students; and
- staff training
- programs to help students become more resilient; and
- developing best practices related to a school safety incident response.

Grantees that received funds in the previous school year must report to the DPS the amount received, the source and amount of any matching funds, and the purposes for which the funds were used. Beginning in January 2024, the DPS must include a summary of the program's outcomes in its annual SMART Act hearing and prepare a written report for the education committees of the General Assembly.

State Expenditures

This bill increases state cash fund expenditures for DPS by \$6.0 million in FY 2022-23. Although state expenditures are shown in FY 2022-23, actual disbursements from the program cash fund continue through FY 2023-24 until funding is distributed. Any money in the program cash fund that is not expended or encumbered by June 30, 2024 is transferred back to the General Fund.

State expenditures are shown in Table 2 and are based on an assumed \$6.0 million transfer to the School Security Disbursement Program Cash Fund created in HB 22-1243. That cash fund repeals on June 30, 2024. Any appropriation for the School Security Disbursement Program in FY 2023-24 and future budget years must be determined by the General Assembly and are not estimated in this fiscal note.

**Table 2
Expenditures Under HB 22-1120**

	FY 2022-23	FY 2023-24
Department of Public Safety		
Personal Services	\$92,059	-
Operating Expenses	\$1,350	-
Capital Outlay Costs	\$6,200	-
School Safety Disbursements	\$5,900,391	-
Centrally Appropriated Costs ¹	\$18,280	-
FTE – Personal Services	1.0 FTE	-
Total Cost	\$6,018,280	-
Total FTE	1.0 FTE	-

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

Administration. To administer the disbursement program, the DPS will add 1.0 FTE Grant Administrator to update program rules and application forms, conduct outreach, provide technical assistance to grantees, coordinate the application process, review and award grants, prepare reports, and conduct other administrative tasks. If improvements are made to school facilities, workload may also increase for the Division of Fire Prevention and Control to conduct additional plan reviews and inspections. If additional appropriations are required for the division, they will be addressed through the annual budget process.

School safety distributions. The remaining \$5.9 million will be distributed to eligible LEPs and non-profits.

School District

This bill increases revenue and expenditures for LEPs that apply for school security-related funding. The size of the impact depends on the number of requests made to DPS, and whether or not matching funds are provided. Workload will also increase to prepare applications and submit reports.

Effective Date

The bill was signed into law by the Governor and took effect May 19, 2022.

State Appropriations

No appropriation is required. Funding for HB 22-1120 is contingent on passage of HB 22-1243, which transfers \$6.0 million from the General Fund to the School Security Disbursement Program Cash Fund in FY 2022-23 only. The cash fund is continuously appropriated to the DPS.

State and Local Government Contacts

Education
Public Safety

Information Technology
School Districts