



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 22-1030	Date:	April 20, 2022
Prime Sponsors:	Rep. Michaelson Jenet Sen. Moreno	Bill Status:	House HHS
		Fiscal Analyst:	Will Clark 303-866-4720 Will.Clark@state.co.us

Bill Topic: FOSTER CARE SUCCESS ACT

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill creates the Fostering Educational Opportunities for Youth in Foster Care program, and modifies foster youth educational attainment requirements. Starting in FY 2022-23, the bill increases state and local expenditures on an ongoing basis.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$1.4 million to multiple state agencies.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 22-1374

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund	\$1,354,934	\$2,905,287
	Centrally Appropriated	\$27,676	\$29,035
	Total Expenditures	\$1,382,610	\$2,934,322
	Total FTE	1.5 FTE	1.6 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$203,240	\$435,793

Summary of Legislation

The bill creates the Fostering Educational Opportunities for Youth in Foster Care program in the Department of Human Services (DHS), and modifies Department of Education (CDE) training and reporting requirements related to foster youth educational attainment.

Foster youth education program expansion. The bill creates the Fostering Educational Opportunities for Youth in Foster Care program in the DHS. The new program must be modeled after a Jefferson County School District pilot program that provides students in foster care with dedicated educational specialists who can advocate for and support the students' educational attainment. The bill expands the program by up to five school districts starting in FY 2022-23, and requires the DHS to administer and continue funding of the Jefferson County School District program starting in FY 2023-24. By July 1, 2023, and each year thereafter, the DHS must publish an annual report on its website and submit it to the General Assembly with information about program implementation and performance metrics of program participants.

Foster youth education attainment requirements. The bill requires the CDE to identify goals for improving foster youth educational attainment and expands annual education reporting requirements related to foster youth. These new responsibilities will require:

- training for new child welfare education liaisons and county department of human services caseworkers, with refresher training for these individuals every two years;
- updates to foster education data collection, reporting requirements, and sharing agreements; and
- annual reporting on the CDE's website and to the General Assembly concerning students in out-of-home placement, with specific data collection and reporting requirements about out-of-home placement student population numbers, enrollment, attendance, truancy, dropout rates, re-enrollment, graduation rates and years taken to graduate high school.

Background and Assumptions

During the 2018-2019 school year, there were around 962,500 students enrolled in K-12 public schools in Colorado. Of those, about 3,750 students, or 0.4 percent, were in out-of-home placement.

New districts. The fiscal note assumes the foster youth education program will be expanded to five new school districts, including two large school districts (250 plus youth per cohort), two medium school districts (50 to 60 youth per cohort), and one small school district (20 or less youth per cohort) to include a diverse range of counties. The fiscal note also assumes that:

- large counties will require funding for three educational specialists in the first year and six educational specialists in the second and future years;
- medium counties will require funding for two educational specialists in the first year and three educational specialists in the second and future years; and
- small counties will require funding for one educational specialist in the first year and two educational specialists in the second and future years.

State Expenditures

The bill increases state expenditures in multiple departments by \$1.4 million in FY 2022-23 and \$2.9 million in FY 2023-24, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2
 Expenditures Under HB 22-1374**

Cost Components	FY 2022-23	FY 2023-24
Department of Human Services		
Personal Services	\$84,387	\$92,059
Operating Expenses	\$1,350	\$1,350
Capital Outlay Costs	\$6,200	-
Expansion of Fostering Educational Opportunities	\$1,052,320	\$2,274,207
Jefferson County Pilot Continuation	-	\$450,000
Centrally Appropriated Costs ¹	\$16,591	\$18,280
FTE – Personal Services	0.9 FTE	1.0 FTE
DHS Subtotal	\$1,160,848	\$2,835,896
Department of Education		
Personal Services	\$56,532	\$52,861
Operating Expenses	\$945	\$810
Capital Outlay Costs	\$6,200	-
Data Management and Reporting	\$110,000	\$22,000
Training Development and Evaluation	\$37,000	\$12,000
Centrally Appropriated Costs ¹	\$11,085	\$10,755
FTE – Personal Services	0.6 FTE	0.6 FTE
CDE Subtotal	\$221,762	\$98,426
Total	\$1,382,610	\$2,934,322
Total FTE	1.5 FTE	1.6 FTE

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

Department of Human Services. The DHS requires 1.0 FTE starting in FY 2022-23 to support implementation of the new education foster care program. Staff duties include soliciting and selecting up to 5 new program partners, coordination and technical assistance during program implementation, and ongoing evaluation of study student outcomes. The staff will also be responsible for preparing an annual report that details program performance metrics and educational attainment of students enrolled in the program. Standard operating and capital outlay costs are included, and first year costs reflect the General Fund pay date shift.

- **Expansion of Fostering Educational Opportunities.** The bill creates a new education foster care program based on the existing Jefferson County School District pilot program. As discussed in the Assumptions section, this includes service expansion by up to 5 new sites, which will cost around \$1.0 million in FY 2022-23 and around \$2.1 million in FY 2023-24 and out years. Costs will also increase by \$50,000 in FY 2022-23 and \$200,000 in FY 2023-24 and out years for ongoing program evaluation with a contracted research partner. Costs are prorated in FY 2022-23 to reflect a January 1, 2023 program start date, and are based on those of the Jefferson County School District pilot program.
- **Continuation of Jefferson County pilot program.** The DHS is required to sustain the existing Jefferson County pilot program, which includes \$450,000 in annual costs starting in FY 2023-24.

Department of Education. The CDE requires 0.6 FTE starting in FY 2022-23 and ongoing to implement new foster care student training and reporting requirements. These duties include overseeing training and professional development opportunities, assisting with training updates, coordinating with the DHS, managing and sharing foster care student education data, as well as writing an annual program report for the General Assembly. Standard operating and capital outlay costs are included, and first-year costs reflect the General Fund pay date shift.

- **Data management and reporting.** The bill increases costs related to modifying data collection, data sharing, and information reporting, including for student course completion, grade-level advancement, school attendance, and enrollment. These modifications will require \$110,000 in FY 2022-23, and \$22,000 in FY 2023-24 and out years for ongoing maintenance and development of reports and data sharing agreements.
- **Training development and evaluation.** The CDE is required to develop new trainings for Child Welfare Education Liaisons. This requires \$25,000 in FY 2022-23 for contracting the training development, as well as \$12,000 in FY 2022-23 and out years to contract with an outside evaluator.

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 shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, which will decrease the amount of General Fund available for other purposes.

Local Government and School Districts

Counties. Starting in FY 2022-23, workload will increase for county departments of human services staff to take training related to new foster youth education requirements, and to share foster youth data with the CDE.

School Districts. Starting in FY 2022-23, workload will increase for school districts to provide additional information about individual student attendance in their annual reporting to the CDE, including total days attended, excused, unexcused as well as total possible attendance days. School districts selected to participate in the expanded pilot program will have additional workload to coordinate with the DHS and will receive state resources for staff to support the program in their districts.

Effective Date

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

State Appropriations

For FY 2022-23, the bill requires total appropriations of \$1,354,934 from the General Fund including:

- \$210,677 to the Department of Education, with 0.6 FTE; and
- \$1,144,257 to the Department of Human Services, with 0.9 FTE.

State and Local Government Contacts

Counties
Information Technology

Education
School Districts

Human Services