



## Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

# Final Fiscal Note

<b>Drafting Number:</b>	LLS 24-0869	<b>Date:</b>	August 12, 2024
<b>Prime Sponsors:</b>	Rep. Taggart; Bacon Sen. Kirkmeyer; Bridges	<b>Bill Status:</b>	Signed into Law
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**Bill Topic: OUT-OF-SCHOOL TIME GRANT PROGRAM**

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input checked="" type="checkbox"/> School District

The bill creates a grant program for nonprofit organizations that provide student activities outside of school hours. The bill will increase state expenditures through FY 2026-27.

**Appropriation Summary:** For FY 2024-25, the bill requires and includes an appropriation of \$3,500,000 to the Colorado Department of Education.

**Fiscal Note Status:** This final fiscal note reflects the enacted bill.

**Table 1  
State Fiscal Impacts Under HB 24-1331**

		<b>Budget Year FY 2024-25</b>	<b>Out Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
<b>Revenue</b>		-	-	
<b>Expenditures</b>	General Fund	\$3,500,000	\$3,500,000	\$3,500,000
	Centrally Appropriated	\$32,070	\$36,259	\$40,580
	<b>Total Expenditures</b>	<b>\$3,532,070</b>	<b>\$3,536,259</b>	<b>\$3,540,580</b>
	<b>Total FTE</b>	<b>1.6 FTE</b>	<b>1.8 FTE</b>	<b>2.0 FTE</b>
<b>Transfers</b>		-	-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$525,000	\$525,000	\$525,000

## Summary of Legislation

The bill creates the Out-of-School Time program Grant Program, which is administered by the Department of Education (CDE) and awards grants to non-profit organizations that provide enrichment activities outside of school hours to students in primary and secondary schools. The bill requires the General Assembly to appropriate \$3.5 million annually between FY 2024-25 and FY 2026-27 to fund the grant program.

Non-profit organizations that wish to receive a grant must submit an application to the CDE. Organizations must provide evidence of their ability to provide education services in their application and the CDE must prioritize grant awards to organizations that are able to serve students who are English language learners and students who qualify for free and reduced lunch.

Organizations that are awarded a grant must submit program outcomes data to the CDE, including student identifiers and total hours of participation for students, no later than December 31, 2025 and each year thereafter. The CDE must annually submit a report to the legislature on program outcomes beginning in January 31, 2026. CDE must also conduct an evaluation of the grant program based on data that is received from grantees.

## State Expenditures

The bill will increase state expenditures in CDE by approximately \$3.5 million annually in FY 2024-25 through FY 2026-27, paid from the General Fund. Expenditures are detailed in Table 2 and explained below.

**Table 2**  
**Expenditures Under HB 24-1311**

	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>
<b>Department of Education</b>			
Personal Services	\$145,800	\$165,954	\$187,507
Operating Expenses	\$2,048	\$2,304	\$2,560
Capital Outlay Costs	\$13,340	\$6,670	-
Data Reporting Contract	\$26,520	\$26,520	\$26,520
Grants to Organizations	\$3,312,292	\$3,298,552	\$3,283,413
Centrally Appropriated Costs <sup>1</sup>	\$32,070	\$36,259	\$40,580
<b>Total Cost</b>	<b>\$3,532,070</b>	<b>\$3,536,259</b>	<b>\$3,540,580</b>
<b>Total FTE</b>	<b>1.6 FTE</b>	<b>1.8 FTE</b>	<b>2.0 FTE</b>

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

**Staff.** The CDE will require 1.9 FTE to administer the grant program. Costs include 1.3 FTE for program staff and 0.6 FTE for administrative and evaluation staff. Costs are based on the administration of similar grant programs through the CDE and include application review, technical assistance, data collection and reporting, and communications. Costs are prorated to assume a September 2024 start date and standard operating expenses and capital outlay are included.

**Data reporting contract.** The CDE currently uses a vendor for external organizations to report data. The fiscal note assumes that approximately 30 organizations will be approved for a grant and that they will require a \$750 license fee to use this software, resulting in \$26,520 in costs to the vendor, paid by the CDE.

**Grants to non-profit organizations.** After accounting for the expenses listed above, approximately \$3.3 million annually is available for grants to organizations to conduct student enrichment activities.

**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. 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, decreasing the amount of General Fund available for other purposes.

## School District

School districts that partner with organizations who receive grants will have increased expenditures to enroll students in the enrichment activities. Expenditures will vary based on the number of students and staff that participate in the activities. The majority of work is expected to be completed by the non-profit organizations. School districts may assist these organizations with student supervision and reporting requirements.

## Effective Date

The bill was signed into law by the Governor on May 23, 2024, and it took effect on August 7, 2024.

## **State Appropriations**

For FY 2024-25, the bill requires and includes a General Fund appropriation of \$3,500,000 to the Colorado Department of Education, and 1.6 FTE.

## **State and Local Government Contacts**

Education

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).