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Fiscal Note

Drafting Number:	LLS 24-0440	Date:	January 29, 2024
Prime Sponsors:	Sen. Lundeen; Zenzinger Rep. McLachlan; Pugliese	Bill Status:	Senate Education
		Fiscal Analyst:	Josh Abram 303-866-3561 josh.abram@coleg.gov

Bill Topic: REMOTE TESTING & ONLINE EDUCATION PROGRAMS

Summary of Fiscal Impact:	<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 allows students in online schools to participate in statewide assessments remotely using a video proctored administration. The bill increases state expenditures beginning FY 2024-25.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$440,000 to the Colorado Department of Education.

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

**Table 1
State Fiscal Impacts Under SB 24-070**

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	State Education Fund	\$440,000	\$453,200
	Federal Funds	\$352,000	\$485,300
	Total Expenditures	\$792,000	\$938,500
Transfers		-	-
Other Budget Impacts		-	-

Summary of Legislation

Currently, students in online schools must travel to a testing location to participate in state assessments. Beginning with the 2025-26 school year, this bill allows an online school or program to administer state assessments remotely to students in their regular setting of instruction. Online students must take the assessment at a specific time, attend a synchronous session with other online students, and be video monitored by an assessment proctor of the online school, among other testing requirements.

Background

The Colorado Measures of Academic Success (CMAS) are the state's common measurement of students' progress in English language arts, math and science. Students in grades 3 through 8 take the CMAS tests in math and English language arts. Students in 5th, 8th and 11th grades take the CMAS science assessments. Although schools must administer the tests, the cost of CMAS is a primarily a state expenditure, paid from the State Education Fund and federal funds.

The CDE is currently in the procurement process for the CMAS vendor, and is in the process of collecting cost estimates for including an at-home virtually proctored option for online students.

State Expenditures

The bill is expected to increase state expenditures by \$792,000 in FY 2024-25, and by \$938,500 in FY 2025-26, paid from federal funds and the State Education Fund. Costs are displayed in Table 2 and described below.

Table 2
Expenditures Under SB 24-070

	FY 2024-25	FY 2025-26
Department of Education		
Vendor online testing platform	\$440,000	\$453,200
Form development	\$77,000	\$340,000
Proctor training and manuals	\$10,000	\$20,300
Validation and student incentives	\$265,000	\$125,000
Total Cost	\$792,000	\$938,500
Federal Funds	\$352,000	\$485,300
State Education Fund	\$440,000	\$453,200

Colorado Department of Education. The cost of the vendor contract for CMAS will increase for an online platform that allows virtually proctored at-home administration, including setup, testing, and hosting. Estimates in the fiscal note are based on a similar contract platform used by the state of Utah, with costs increasing in FY 2025-26 when the online platform becomes operational. Actual costs for the Colorado state contract may be available as CDE goes through the procurement process; this fiscal note will be updated if more information becomes available.

Additional testing forms must be developed and field tested with students during 2024-25 school year in order to validate online scores and align the virtual testing platform with existing school-based CMAS administration. New expenditures also include new online assessment item development, instruction manuals for training proctors and scorers, manuals for at-home students, and incentives for online students to increase participation in validation activities.

School District

Online schools and programs will have workload to adjust to different proctor and scoring protocols to allow online students to participate in CMAS remotely. Testing administration are annual school and district costs to comply with the statewide assessment program.

Effective Date

The bill takes effect July 1, 2025, assuming no referendum petition is filed.

State Appropriations

For FY 2024-25, the bill requires an appropriation of \$440,000 from the State Education Fund to the Colorado Department of Education.

Technical Note

As described above, the bill requires an appropriation for FY 2024-25, but does not take effect until July 1, 2025, after the conclusion of that fiscal year. The effective date should be adjusted to allow any appropriation clause added to the bill to take effect in FY 2024-25.

State and Local Government Contacts

Education

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](#).