



**Legislative  
Council Staff**

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**FISCAL NOTE**

**Drafting Number:** LLS 19-0198  
**Prime Sponsors:**

**Date:** September 27, 2018  
**Bill Status:** Early Childhood and School  
Readiness Legislative  
Commission Bill Request  
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**Bill Topic:** EARLY GRADUATION FUNDING FOR FULL-DAY KINDERGARTEN

- Summary of Fiscal Impact:**
- State Revenue
  - State Expenditure
  - State Transfer
  - TABOR Refund
  - Local Government
  - Statutory Public Entity

The bill allows school districts to use funding from students who graduate early from high school to fund full-day kindergarten. The bill increases state and school district expenditures on an ongoing basis.

**Appropriation Summary:** For FY 2019-20, the bill requires an appropriation of \$4.7 million to the Colorado Department of Education.

**Fiscal Note Status:** The fiscal note reflects the bill draft requested by the Early Childhood and School Readiness Legislative Commission.

**Table 1  
State Fiscal Impacts Under Bill 6**

		<b>FY 2019-20</b>	<b>FY 2020-21</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$4,711,559	\$4,711,559
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## Summary of Legislation

Beginning in FY 2019-20, the bill allows school districts to receive per pupil funding for students who graduated early from high school in the previous year. Districts must spend the amount of their per pupil funding multiplied by the number of early graduating students on full-day kindergarten. If a district does not provide full-day kindergarten, the funding must be deposited in the district's full-day kindergarten reserve. The bill requires school districts to specify their early graduation high school enrollment when annually certifying pupil enrollment to the Colorado Department of Education (CDE).

## Background

**Early graduating students.** Based on the most recent data available, approximately 579 students in FY 2016-17 met the requirements to be included in early graduation high school enrollment as defined in the bill. These students graduated from high school at least a year early. The fiscal note assumes that this number remains constant from year to year. This number will be revised as updated information becomes available.

**Full-day kindergarten reserve.** Under current law, a district that does not have any students enrolled in full-day kindergarten must deposit money received through supplemental kindergarten enrollment into a full-day kindergarten reserve fund. If students are enrolled in full-day kindergarten, districts are no longer required to maintain the fund. In FY 2017-18, six districts did not have any students enrolled in full-day kindergarten.

## State Expenditures

Beginning in FY 2019-20, the bill increases state General Fund expenditures for school finance by approximately \$4.7 million. Under the bill, school districts will receive per pupil funding for students who graduated early in the previous year. This amount was calculated using a statewide average per pupil revenue of \$8,137 for FY 2018-19 and the assumption that 579 students will meet early graduation requirements in FY 2018-19. The expenditure impact will be revised as updated district level information on early graduation becomes available.

## School District Impact

Beginning in FY 2019-20, the bill increases school district expenditures for full-day kindergarten by approximately \$4.7 million. Districts will receive per pupil revenue for each student who meets early graduation requirements under the bill. The fiscal note assumes that approximately 579 students will meet these requirements in FY 2018-19, and thus, will be added to their district's funded pupil count, whereas they would not under current law. Districts that do not have students enrolled in full-day kindergarten must deposit any new revenue in their full-day kindergarten reserve. Total expenditures were calculated using a statewide average per pupil revenue of \$8,137. These estimates will be revised as updated information becomes available.

## Effective Date

The fiscal note assumes that the bill takes effect July 1, 2019.

**State Appropriations**

For FY 2019-20, the bill requires a General Fund appropriation of \$4,711,559 to the Colorado Department of Education.

**State and Local Government Contacts**

Education

