

*Colorado Legislative Council Staff Fiscal Note*

**FINAL  
FISCAL NOTE**

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<b>Drafting Number:</b> LLS 11-0238	<b>Date:</b> June 30, 2011
<b>Prime Sponsor(s):</b> Rep. Priola; Schafer S. Sen. Steadman	<b>Bill Status:</b> Signed into Law
	<b>Fiscal Analyst:</b> Jonathan Senft (303-866-3523)

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**TITLE:** CONCERNING MEASURES TO REDUCE THE FREQUENCY OF BULLYING IN SCHOOLS.

<b>Fiscal Impact Summary</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>
<b>State Revenue</b>		
Cash Funds		
School Bullying Prevention and Education Cash Fund	\$200,000*	\$200,000*
<b>State Expenditures</b>		
Cash Funds		
School Bullying Prevention and Education Cash Fund	200,000*	\$200,000*
<b>FTE Position Change</b>	1.5 FTE	1.5 FTE
<b>Effective Date:</b> The bill was signed into law by the Governor and took effect on May 13, 2011.		
<b>Appropriation Summary for FY 2011-2012:</b> See State Appropriations section.		
<b>School District Impact:</b> See School District Impact section.		

\* *Cash fund revenue and expenditures are **conditional**, contingent on support from federal funds and gifts, grants, and donations.*

**Summary of Legislation**

This bill creates a number of initiatives designed to deter student behavior known as bullying, defined as expressions – physical, verbal or electronic – intended to coerce, intimidate or harm other students. Specifically, this bill:

- establishes a grant program in the Colorado Department of Education (CDE) for bully-prevention programs in schools;
- creates a cash fund to pay for these grants, funded by gifts, grants and donations;
- encourages a student survey program querying the severity of bullying at each school; and
- requires charter schools to adopt a bullying prevention policy on or before October 1, 2011.

**State Revenue**

The bill allows the CDE to seek, accept, and spend federal moneys and other gifts, grants, and donations to implement the grant program. Based on the expenditures described in this fiscal note, the CDE will need to obtain at least **\$200,000** per year in federal funds or private donations beginning in FY 2011-12 to establish an effective grant program, although actual collections may vary greatly from this amount. To date, no specific revenue source has been identified, therefore this bill is conditional on the amount of funds obtained.

**State Expenditures**

A viable bully-prevention grant program is expected to cost **at least \$200,000 per year beginning in FY 2011-12**. These costs will only be incurred if sufficient gifts, grants and donations are obtained. Costs are shown in Table 1.

<b>Table 1. Expenditures Under HB 11-1254</b>		
<b>Cost Components</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
Personal Services (CDE)	\$89,941	\$92,001
FTE	1.5	1.5
Operating, IT and Capital Expenses	8,660	1,425
Grants	101,399	106,574
<b>TOTAL</b>	<b>\$200,000</b>	<b>\$200,000</b>

**Grants — \$100,000.** It is anticipated that grant award moneys will comprise the largest cost component of the bill. The amount of grants from the program is dependent on the amount of funding CDE receives from public sources and from private donations.

**Department of Education — \$89,941 and 1.5 FTE.** Staff at the department is needed to develop and manage the grant program; solicit evaluate and award grants; provide technical assistance to support grantees; and support annual financial reporting. The CDE must also create and maintain a web page providing evidence-based practices in bully prevention.

The bill states that no more than 5 percent of the cash fund may be used for costs incurred in administering the program, which is insufficient for donations of \$200,000. Without sufficient funding from the cash fund, the department will require some other source of support. Donations of about \$2 million would be required to support staff within the 5 percent administrative costs cap.

**Expenditures Not Included**

Certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill, rather than in this bill. The costs subject to this policy are summarized in Table 2.

<b>Table 2. Expenditures Not Included Under HB 11-1254*</b>		
<b>Cost Components</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$10,269	\$10,269
Supplemental Employee Retirement Payments	3,733	4,646
Workers Compensation	711	711
Risk Management	612	612
<b>TOTAL</b>	<b>\$15,325</b>	<b>\$16,238</b>

*\*More information is available at: <http://colorado.gov/fiscalnotes>*

**School District Impact**

This bill encourages districts to:

- conduct an biannual student survey involving each student concerning the student's impression of the severity of bullying; and
- implement a dress code policy to encourage school pride and unity and promote uniformity of dress.

These activities increase costs for school districts to varying degrees. The cost for student surveys in a moderately-sized school district range from \$12,000 to \$50,000. Additional costs may be incurred for teacher training and reporting.

**State Appropriations**

The School Bullying Prevention and Education Cash Fund is continuously appropriated to the Department of Education, so further appropriation is not required for FY 2011-12.

This final fiscal note does not adjust for the effect of SB 11-076, which decreased state personal services costs for contributions to employee retirement benefits by 2.5 percent.

**Departments Contacted**

Education                      Judicial                      Legislative Council