



**Colorado
Legislative
Council
Staff**

HB16-1128

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0639
Prime Sponsor(s): Rep. Lundeen

Date: June 29, 2016
Bill Status: Postponed Indefinitely
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: EXTENDING CONCURRENT ENROLLMENT STATEWIDE

| Fiscal Impact Summary | FY 2016-2017 | FY 2017-2018 |
|-------------------------------|---------------------------------|--------------|
| State Revenue | | |
| State Expenditures | See State Expenditures Section. | |
| Appropriation Required: None. | | |
| Future Year Impacts: None. | | |

NOTE: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill requires that all local education providers (LEPs, i.e., schools, school districts, Boards of Cooperative Educational Services (BOCES)) create a standard concurrent enrollment application and allow all qualified students to concurrently enroll in institutions of higher education. A qualified student must be permitted to concurrently enroll in the institution of his or her choice. All state supported institutions of higher education must allow qualified high school students to concurrently enroll in college courses. Private institutions are also encouraged to allow concurrent enrollment.

An LEP may deny a student's application for concurrent enrollment only with documented evidence that the student is not prepared to enroll in postsecondary courses. Any denial must be provided in writing. The bill creates a process for appeals to heard first by the locally elected school board, and ultimately by the State Board of Education. The state board must decide to reverse or uphold the denial.

The bill changes the way an LEP pays the tuition cost of concurrently enrolled students. Currently, payment is limited to the student's share of the resident tuition rate at state community colleges. If the LEP is not located within a community college service area, tuition is limited to the student share of the resident tuition rate of the nearest public institution of higher education. Under this bill, payment will be equal to five percent of the LEP's per-pupil-revenue (PPR) for each enrolled credit hour. The bill specifies that an LEP is not required to spend more for concurrent enrollment than the LEP receives as the state share of total program under the School Finance Act.

Background

Concurrent enrollment allows a high school student to obtain course credit at an institution of higher education that simultaneously counts as credit toward high school graduation and towards a degree or certificate at the institution in which the student enrolls. Not every postsecondary course option available to high school students qualifies as concurrent enrollment. Subject to course availability and school district approval, students may enroll in unlimited college courses.

School districts and higher education institutions enter into a cooperative agreement specifying the tuition rate, which typically does not exceed the amount of the student's share of the resident rate charged at community colleges. The student agrees to reimburse the school district if the student fails to complete the college course. Statewide, 94 percent of districts and 80 percent of high schools offer concurrent enrollment. In FY 2013-14, nearly 20,500 students participated.

State Expenditures

The bill creates an appeal process if a student is denied the opportunity to concurrently enroll, permitting that student to obtain a final ruling from the State Board of Education. If a final appeal is made, staff effort for the Colorado Department of Education will increase slightly to review documents and prepare recommendations for consideration by the board. This fiscal note assumes that local decisions to deny concurrent enrollment are made when a legitimate academic reason exists for the denial, and that appeals to the state board will be minimal.

School District Impact

This bill increases the tuition rate that school districts pay to institutions that concurrently enroll the district's high school students. For the current academic year, the student share of resident tuition at community colleges is \$230.65 per credit hour, which is the rate school districts typically pay for students to concurrently enroll. This bill requires that the school district pay an amount equal to five percent of the district's PPR. Using FY 2015-16 PPR amounts, the tuition rate for concurrent enrollment increases for every school district. At the low end, the Las Animas School District will pay \$344.14 per credit hour (\$113.49 per credit more than current law). At the high end, the San Juan School District will pay \$776.70 per credit hour (\$546.05 per credit more than current law).

Under current law, concurrent enrollment agreements are encouraged but not required, and students seeking to concurrently enroll typically do so at an institution of higher education that has an agreement with the student's school district. This bill allows a student to concurrently enroll at any state institution of his or her choice, and requires that school districts permit the student to do so. This greatly increases the number of relationships school districts must establish with higher education institutions and increases workload for counseling and academic staff in high schools to manage multiple enrollment options for students.

Under current law, school districts and Boards of Cooperative Educational Services (BOCES) may submit a separate estimate of fiscal impacts within seven days of a bill's introduction. Estimates submitted by districts or BOCES for this bill can be found on the Legislative Council website at this address: <http://1.usa.gov/23AxLIT>

Effective Date

The bill was postponed indefinitely by the House Education Committee on April 6, 2016.

State and Local Government Contacts

Education Higher Education