



**Colorado
Legislative
Council
Staff**

HB17-1004

FISCAL NOTE

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

Drafting Number: LLS 17-0646 **Date:** March 6, 2017
Prime Sponsor(s): Rep. Michaelson Jenet; Danielson **Bill Status:** House Education
Fiscal Analyst: Anna Gerstle (303-866-4375)

BILL TOPIC: COLLEGE CREDIT FOR MILITARY EDUCATION & TRAINING

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue	See State Revenue section.	
State Expenditures	\$73,146	Workload increase.
General Fund	\$68,219	
Centrally Appropriated Costs	\$4,927	
FTE Position Change	0.5 FTE	
Appropriation Required: \$68,219 - Department of Higher Education (FY 2017-18).		
Future Year Impacts: Ongoing workload increase and tuition revenue decrease.		

Summary of Legislation

By July 1, 2018, the bill requires that the Colorado Commission on Higher Education (CCHE), in collaboration with each institution of higher education, develop a statewide metric for awarding credit for military education and training. The CCHE must create a process for students to demonstrate measurable learning from military experience, based upon the student's joint service transcript. The Department of Higher Education (DHE) must report on the development of the statewide metric to the Education and State, Veterans, and Military Affairs Committees of the General Assembly during the 2018 legislative session.

Beginning in the 2018-19 school year, institutions of higher education must grant credit based on the statewide metric, including full course credit and free tuition for those courses

State Revenue

The bill decreases tuition revenue for the state-supported institutions of higher education beginning in FY 2018-19. Under the bill, institutions must award free course credit for military experience as determined by the statewide metric. Tuition revenue will decrease from students who currently pay tuition for courses and will receive free credit under the bill. The amount of the tuition reduction will depend on the metric selected, the number of students taking qualified courses at each institution, and tuition rates.

State Expenditures

The bill increases General Fund expenditures in the DHE by \$73,146 and 0.5 FTE in FY 2017-18. The bill also increases costs and workload for the institutions of higher education beginning in FY 2017-18. Costs are listed in Table 1 and discussed below.

Table 1. Expenditures Under HB17-1004	
Cost Components	FY 2017-18
Personal Services	\$30,721
FTE	0.5 FTE
Operating Expenses and Capital Outlay Costs	5,178
Meeting Costs	32,320
Centrally Appropriated Costs*	4,927
TOTAL	\$73,146

* Centrally appropriated costs are not included in the bill's appropriation.

Personal services. The DHE requires \$30,720 and 0.5 FTE in FY 2017-18 to inventory current credit awarded for military experience at different institutions, coordinate and conduct meetings with the institutions of higher education, compile the metric based on the meeting outcomes, and prepare the report for the General Assembly. The FTE has been prorated to account for the General Fund paydate shift and a July 1, 2017 start date.

Meeting costs. The bill requires \$32,320 to hold a series of meetings with representatives from the institutions of higher education to create a statewide metric. The fiscal note assumes that DHE will need to hold 8 full-day meetings in FY 2017-18. Based on experience with similar meetings, the fiscal note assumes a cost of \$4,040 per meeting for facility and equipment rental, and food for 75-100 participants.

Institutions of higher education. The bill increases costs and workload for the state-supported institutions of higher education in several ways beginning in FY 2017-18. First, costs will increase for all institutions to participate in the process of creating a statewide metric for credit for military experience. It is assumed that 8 full-day meetings will be held in order to create the metric and institutions will be responsible for staff time to participate, as well as travel costs. In addition, workload and costs will increase to process and award military credit. The impact to each institution will depend on the credit currently awarded for military experience and the process currently in place to award credit for prior learning.

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. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB17-1004	
Cost Components	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$2,174
Supplemental Employee Retirement Payments	2,753
TOTAL	\$4,927

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2017-18, the bill requires a General Fund appropriation of \$68,219 and an allocation of 0.5 FTE to the Department of Higher Education.

State and Local Government Contacts

Higher Education

Information Technology

Military Affairs