



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 19-1153**

**FISCAL NOTE**

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<b>Drafting Number:</b>	LLS 19-0752	<b>Date:</b>	February 4, 2019
<b>Prime Sponsors:</b>	Rep. McCluskie; Wilson Sen. Donovan; Rankin	<b>Bill Status:</b>	House Education
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**Bill Topic:** CO MOUNTAIN COLLEGE & DIRECT GRANTS ANNEXATION

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local District College
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill modifies the role and mission of Colorado Mountain College and allows the Colorado Commission on Higher Education to consider recommending adjustments to state grants to local district colleges. The bill increases state workload and institutional costs for Colorado Mountain College on an ongoing basis.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note reflects the introduced bill.

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## Summary of Legislation

Under current law, Colorado Mountain College may offer up to five baccalaureate degree programs, in addition to its role and mission as a local district college. This bill allows Colorado Mountain College to instead offer a limited number of baccalaureate degree programs.

If a local district college annexes one or more school districts into their service area, the bill requires that the Colorado Commission on Higher Education (CCHE) consider recommending that the local district college state appropriation be increased to recognize the change in resident enrollment as a result of the annexation. The CCHE must consider recommending an increase in funding for at least five years following the annexation, and must consult with the governing board of the local district college.

## Background

**Local district colleges.** Local district colleges are institutions that provide up to two years of post-secondary training, generally resulting in a certificate or associate's degree. In addition, Colorado Mountain College may offer up to five baccalaureate degrees, and Aims Community College may offer bachelor of applied science and nursing completion degrees. The baccalaureate degrees must be determined by the board of trustees and approved by the CCHE.

Local district colleges serve designated areas that meet K-12 school population and assessed value requirements and are approved by the State Board for Community Colleges and Occupational Education. Local district colleges have a locally elected board of directors and may raise their own local revenue through property taxes.

**State grants to local district colleges.** Under current law, local district colleges receive a state appropriation based on the previous year's grant and the percentage change in state appropriations for higher education, although CCHE may recommend in its budget request that the state appropriation change by more than the overall percentage change. In FY 2018-19, the state grant to Colorado Mountain College was \$8.5 million and the state grant to Aims Community College was \$10.1 million.

## State Expenditures

The bill increases the workload for the CCHE to consider whether to recommend increases to state grant amounts received by local district colleges. The bill does not require that CCHE recommend, or that the General Assembly appropriate, increased funding to local district colleges. No change in appropriations is required.

## Local District College Impact

Beginning in FY 2019-20, the bill increases costs for Colorado Mountain College, should the board of trustees and the CCHE approve additional baccalaureate degree programs. The increased costs depend on the number of new degrees and the resources required for those specific degree programs. In addition, to the extent that offering new baccalaureate degrees attracts new students, tuition revenue will increase. No change in appropriations is required.

## Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

## State and Local Government Contacts

Higher Education