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HB 20-1275

FISCAL NOTE

Drafting Number: LLS 20-0430
Prime Sponsors: Rep. Buentello, Sen. Hisey

Date: February 11, 2020
Bill Status: House Education
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Bill Topic: IN-STATE TUITION AT COMMUNITY COLLEGE FOR MILITARY

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

The bill allows an active or honorably discharged member of the armed forces, or a dependent, to be eligible for in-state tuition rates at a community college.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

The bill allows an active or honorably discharged member of the United States armed forces, or a dependent, to be eligible for in-state tuition status at a community college regardless of whether the person satisfies Colorado domicile or residency status.

State Revenue

There is no data to estimate the number of students who will meet the conditions of the bill. Following adoption of a resident tuition policy for discharged military and dependants by community colleges, state revenue from tuition will change. A student at a community college who would otherwise pay the non-resident rate will now pay a reduced, resident tuition rate, resulting in a decrease in tuition revenue for the institution. Conversely, if the bill creates an incentive for students who otherwise would not attend a state community college, the school's tuition revenue is increased.

State Expenditures

The bill requires that community colleges adopt policies permitting resident tuition for additional students. Each student is also eligible for a College Opportunity Fund (COF) stipend. The COF stipend amount in FY 2019-20 is \$94 per credit hour, or \$2,820 for 30 credit hours. The value of the stipend for FY 2020-21 has not been set. It is unknown how many new students will receive

the COF stipend in FY 2020-21, and FY 2021-22. Should enrollment increase significantly as a result of this new classification, the community college system may require additional appropriations for COF stipends on behalf of these additional students.

Any new revenue generated by more students attending community colleges, and any money received by the institutions in additional state aid from COF stipends, will be spent by the schools for the instructional costs associated with providing a higher education to new students.

## **Effective Date**

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

## **State and Local Government Contacts**

Higher Education

Military Affairs