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Fiscal Note

Drafting Number: LLS 23-0714
Prime Sponsors: Sen. Hansen

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Bill Status: Senate Education
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Bill Topic: **STUDENT LEADERS INSTITUTE**

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

The bill continues the Colorado Student Leaders Institute indefinitely and moves it from the Department of Higher Education to the Colorado Department of Education. The bill both shifts revenue and expenditures between agencies, and increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2023-24, the bill requires an appropriation of \$227,009 to the Colorado Department of Education, and an appropriation reduction of \$218,825 for the Department of Higher Education. See State Appropriations section for detail.

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

Table 1
State Fiscal Impacts Under SB 23-086

		Budget Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-
Expenditures	General Fund	\$8,184	\$8,928
	Centrally Appropriated	\$1,869	\$1,939
	Total Expenditures	\$10,053	\$10,867
	Total FTE	(0.9 FTE)	(0.9 FTE)
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$1,228	\$1,339

Summary of Legislation

Under current law, the Colorado Student Leaders Institute (COSLI) Program in the Department of Higher Education (DHE) repeals on July 1, 2024. The bill continues the program indefinitely and moves it from DHE to the Colorado Department of Education (CDE). It also changes oversight of the program from a Governor-appointed executive board to the State Board of Education.

Background

The COSLI program is a four-week residential summer program for up to 100 students entering 10th or 11th grade. Students select either international social studies or science, technology, arts and math, and complete lectures in that area, a history research project, and a public service practicum that includes legislative recommendations. Students earn three hours of postsecondary credit for completing the program. At least half the participating students must be eligible for free or reduced-price meals or would be a first generation college student.

The current host institution is the University of Colorado-Denver. In FY 2022-23, the program was appropriated \$218,825 from General Fund and 1.0 FTE. COSLI is also required to obtain at least \$40,000 per year in gifts, grants, and donations, deposited in the COSLI Cash Fund.

State Revenue

The bill does not change the requirement that COSLI obtain at least \$40,000 per year in gifts, grants, and donations. As a result, the fiscal note assumes that there will be no net change in state revenue and that oversight of the cash fund will shift from DHE to CDE.

State Expenditures

On net, the bill increases state expenditures by \$10,053 in FY 2023-24, and by \$10,867 in FY 2024-25. Specifically, the bill reduces expenditures by \$258,825 in DHE and increases expenditures by \$268,878 in CDE in FY 2023-24. Expenditure changes are shown in Table 2 and detailed below.

**Table 2
Expenditures Under SB 23-086**

	FY 2023-24	FY 2024-25
Department of Higher Education		
Institution Contract	(\$258,825)	(\$258,825)
FTE – Personal Services	(1.0 FTE)	(1.0 FTE)
Dept. Subtotal	(\$258,825)	(\$258,825)
Department of Education		
Personal Services	\$8,184	\$8,928
Institution Contract	\$258,825	\$258,825
Centrally Appropriated Costs ¹	\$1,869	\$1,939
FTE – Personal Services	0.1 FTE	0.1 FTE
CDE Subtotal	\$268,878	\$269,692
Total	\$10,053	\$10,867
Total FTE	(0.9 FTE)	(0.9 FTE)

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Higher Education. By moving the COSLI program out of DHE, the bill reduces expenditures in DHE by the current program funding amount, which is from the General Fund (\$218,825), and from gifts, grants, and donation (\$40,000). This amount is currently spent on the contract with the University of Colorado-Denver to implement the program. The Long Bill includes 1.0 FTE for the program, but the position is not currently utilized.

Department of Education. The bill correspondingly increases expenditures in CDE by the same amount of the current contract to implement the COSLI program. In addition, CDE requires 0.1 FTE on an ongoing basis to manage the contract and coordinate with the State Board of Education. First-year staff costs are prorated for the General Fund pay date shift.

The bill specifies that CDE must both issue a request for proposals and follow applicable provisions of the procurement code in contracting with an institution of higher education. The fiscal note assumes that CDE will follow the procurement code and will not be required to complete a request for proposals; however, if a request for proposals is required, CDE will also require standard costs of \$17,850 to complete that process.

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. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

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

State Appropriations

For FY 2023-24, the bill requires the following changes in General Fund appropriations:

- a decrease of \$218,825 and 1.0 FTE in the Department of Higher Education; and
- an increase of \$227,009 and 0.1 FTE in the Colorado Department of Education.

The Colorado Student Leaders Cash Fund is continuously appropriated, and the bill shifts that continuous appropriation from DHE to CDE. As a result, no change in appropriations is required for the \$40,000 in gifts, grants, and donations.

State and Local Government Contacts

Education

Higher Education