



Legislative Council Staff

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FISCAL NOTE

Drafting Number: LLS 20-0414
Prime Sponsors:

Date: November 1, 2019
Bill Status: Bill Request
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Bill Topic: STUDENT DEBT INFORMATION GRANT PROGRAM

**Summary of
Fiscal Impact:**

- | | |
|---|--|
| <input type="checkbox"/> State Revenue | <input type="checkbox"/> TABOR Refund |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government |
| <input type="checkbox"/> State Transfer | <input type="checkbox"/> Statutory Public Entity |

The bill creates the Student Debt Information Grant Program in the Department of Higher Education. The bill increases state expenditures on an ongoing basis.

**Appropriation
Summary:**

In FY 2020-21, the bill requires an appropriation of \$150,000 to the Department of Higher Education.

**Fiscal Note
Status:**

This fiscal note reflects the bill draft requested by the Making Higher Education Attainable Interim Study Committee.

**Table 1
State Fiscal Impacts Under Bill 8**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditure	General Fund	\$150,000	\$150,000
Transfer		-	-
TABOR Refund		-	-

Summary of Legislation

The bill creates the Student Debt Information Grant Program in the Department of Higher Education (DHE) to assist institutions of higher education with providing students with information on student debt. DHE must administer the program, including establishing application procedures, reviewing applications, and determining grant amounts. DHE may award multiyear grants, not to exceed three years. The bill specifies what must be included in each application.

To be eligible, institutions must operate or establish a program to provide students information on types of debt, the process to complete the Federal Free Application for Federal Student Aid, state and institutional financial assistance and grant programs, loan repayment and repayment assistance programs, career planning related to student debt repayment, and assistance provided by the student loan ombudsman.

Institutions that receive a grant must submit a report to the DHE, which must include information on the grants in its annual SMART Act hearing.

State Expenditures

The bill increases state General Fund expenditures by \$150,000 beginning in FY 2020-21. Total funding for the program is at the discretion of the General Assembly. The fiscal note assumes that because most institutions will submit a grant application, DHE will distribute the funding to every institution that applies and meets the application criteria. Specific distribution amounts will be determined by DHE. Because each institution that applies will receive a grant, the workload for DHE can be accomplished within existing appropriations. Should the program be competitive, DHE may request additional resources through the annual budget process.

The bill will increase workload for any institution that receives a grant to ensure that their information distribution programs meet the bill's criteria and to submit a report to DHE.

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 Appropriations

In FY 2020-21, the bill requires a General Fund appropriation of \$150,000 to the Department of Higher Education.

State and Local Government Contacts

Higher Education