



Legislative  
Council Staff

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**FISCAL NOTE**

<b>Drafting Number:</b>	LLS 18-0230	<b>Date:</b>	February 1, 2018
<b>Prime Sponsors:</b>	Rep. Lundeen Sen. Todd	<b>Bill Status:</b>	House Education
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**Bill Topic:** EXCEPTION TO 2-YEAR HIGHER EDUCATION SERVICE AREAS

<b>Summary of Fiscal Impact:</b>	<input checked="" 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 requires the Colorado Commission on Higher Education to adopt a policy related to service areas for two-year institutions of higher education and concurrent enrollment agreements with local education providers. The bill increases tuition revenue on an ongoing basis and state workload in FY 2018-19 only.

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

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

**Summary of Legislation**

Under current law, two-year institutions of higher education may provide a concurrent enrollment course to local education providers (LEPs) in the institution's geographic service area. Geographic service areas are approved by the Colorado Commission on Higher Education (CCHE).

This bill requires that CCHE establish a policy allowing a two-year institution of higher education to provide concurrent enrollment courses or programs to an LEP located outside the institution's approved service area. The policy must apply when the two-year institution that serves the area where the LEP is located declines to provide a concurrent enrollment course or program.

The bill does not prevent two-year institutions from entering into a voluntary service waiver agreement allowing one institution to provide a concurrent enrollment course within the service area of another institution. The bill specifies that a concurrent enrollment course offered by an institution outside of its service area must be funded as though offered within the service area.

**Background**

Concurrent or dual enrollment refers to an arrangement between an LEP and an institution of higher education that permits a qualified high school student to earn higher education course credit that will simultaneously apply to high school graduation requirements, and toward a postsecondary degree. Students taking concurrent enrollment courses count towards an LEP's

funded pupil count for school finance purposes, and towards the institution's student FTE. Tuition paid by the LEP for concurrent enrollment courses cannot exceed the local public community college rate; students may be responsible for a portion of the tuition above that rate. The College Opportunity Fund stipend (\$77 per semester credit hour) may be applied to a portion of tuition for concurrent enrollment.

In FY 2015-16, 94 percent of school districts and 82 percent of high schools, and 26 institutions of higher education offered concurrent enrollment courses, with 25,534 students participating.

## **State Revenue**

To the extent that additional students are enrolled in concurrent enrollment courses and are responsible for a portion of the tuition, institutional revenue will increase for those two-year institutions.

## **State Expenditures**

In FY 2018-19 only, the bill increases workload for the CCHE, in the Department of Higher Education, to adopt a policy allowing LEPs to offer concurrent enrollment courses with a two-year institution located outside the approved service area in which the LEP is located. No change in appropriations is required to adopt the policy.

The bill also increases the workload in the Colorado Department of Education by a minimal amount to update concurrent enrollment materials and provide assistance to districts in FY 2018-19 only. No change in appropriations is required.

## **School District Impact**

The bill increases costs and workload for any school district that expands its concurrent enrollment options.

## **Effective Date**

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

## **State and Local Government Contacts**

Education            Higher Education