



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1006: THRIVING INSTITUTION DESIGNATIONS FOR HIGHER ED

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**Prime Sponsors:**

Rep. Velasco; Martinez  
Sen. Roberts

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**Fiscal note status:** This revised fiscal note reflects the introduced bill, as amended by the House Education Committee.

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### Summary Information

**Overview.** The bill creates an advisory committee in the Department of Higher Education to develop criteria for a new thriving institution designation for institutions of higher education.

**Types of impacts.** The bill is projected to affect the following areas beginning in FY 2026-27:

- Minimal State Workload
- State Revenue (Gifts, Grants and Donations)
- Institutions of Higher Education

**Appropriations.** No appropriation is required.

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**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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The bill creates a new thriving institution designation for institutions of higher education (IHEs). By January 1, 2027, the Department of Higher Education (CDHE) is required to convene an advisory committee to establish the outcome standards and criteria for an institution to receive the designation. The advisory committee consists of 14 members and must meet once in 2027; the committee only needs to meet after this first meeting if new institutions are eligible or if the CDHE proposes changes to thriving institution designations. The bill specifies that designation criteria must:

- rely on existing state and federal data collections by IHEs and currently collected by CDHE;
- ensure statistical validity and compliance with privacy laws;
- promote degree attainment and workforce development; and
- include degree completion, retention, and labor market outcomes, among others.

CDHE must recognize public IHEs in the state that meet this thriving institution designation by posting the awards on their website. Any information that is used to determine thriving IHEs must be aggregated to prevent disclosure of personally identifiable information.

By November 15 of each year, the CDHE must report to the legislature which institutions are designated as thriving institutions and the standards used to inform those designations..

Finally, CDHE may seek gifts, grants and donations to support the work the bill requires.

## State Revenue

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The bill may increase revenue to the CDHE in the form of gifts, grants, and donations. At the time of writing, no source of revenue has been identified. Gifts, grants and donations are not subject to the state's revenue limit.

## State Expenditures

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The bill increases workload for CDHE and institutions of higher education, as discussed below.

### Department of Higher Education

#### Committee Support and Data Analysis

The bill increases workload for CDHE to provide support to the advisory committee for one meeting, select existing data metrics to determine the institutions that qualify for the new designation, post designations on their website, and report to the legislature during their SMART Act hearing. This additional workload is absorbable and no change in appropriations is required.

## Meeting Reimbursement

CDHE will reimburse the 14 advisory committee members for travel expenses for one meeting. The fiscal note assumes that most members will participate remotely and no further meetings will be convened; thus, any reimbursement expenses are claimed are expected to be minimal or paid for by gifts, grants, and donations.

## Institutions of Higher Education

Institutions of higher education will have workload to participate in the advisory committee. This workload is expected to be absorbable. If additional expenses are needed to complete this work, the fiscal note assumes that institutional revenue sources will be used.

## Effective Date

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

## Departmental Difference

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The Department of Higher Education estimates that the bill requires \$129,505 and 1.0 FTE in FY 2026-27 and ongoing. This estimate includes an additional 0.4 FTE for a Project Planner to create guidance materials for institutions, act as a liaison between CDHE and IHEs for thriving designations, and write the required report. Additionally, the CDHE's estimate includes 0.6 FTE for a Data Management V position to define metrics, validate data sources, ensure statistical validity, ensure privacy protections, and publish data on the website.

The fiscal note differs from this estimate, assuming that the additional workload required by the bill requires no more than 208 hours of work per year, less than the minimum threshold for additional FTE.

## State and Local Government Contacts

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Higher Education

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).