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FISCAL NOTE

Drafting Number: LLS 19-0932
Prime Sponsors: Rep. Kipp; McCluskie

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Bill Status: House Education
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Bill Topic: INTERNATIONAL BACCALAUREATE EXAM FEE GRANT

- Summary of Fiscal Impact: State Revenue, State Expenditure (minimal), State Transfer, TABOR Refund, School District, Statutory Public Entity

The bill modifies the Advanced Placement exam fee grant program to include International Baccalaureate exam fees. The bill increases state workload and modifies state spending, and may impact school district workload and grant revenue on an ongoing basis.

Appropriation Summary: No appropriation required.

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

Summary of Legislation

Under current law, the Advanced Placement (AP) exam fee grant program covers a portion of the cost for low-income students to take an AP exam. The grant amount must be the same for each exam.

The bill changes the name of the program to the accelerated college opportunity exam fee grant program and allows grants to also be awarded to cover the cost of international baccalaureate (IB) exams. The bill allows grants to be awarded for varying amounts, as long as the lesser grant amounts cover the entire cost of the exam fee.

Background and Assumptions

Current program. The AP exam fee grant program was created by House Bill 18-1396 and was appropriated \$554,869 for FY 2018-19. The fiscal note for HB18-1396 estimated that grants would be \$38 per grant, mirroring a discontinued federal program that resulted in a fee of \$15 per exam for low income students, and that 13,850 exams would be taken by low-income students each year. Grants have not yet been awarded for the current program.

IB exams. The IB program is an internationally-recognized program of advanced courses and associated assessments, often resulting in the completion of an IB diploma at the end of high school. Students who receive the IB diploma, or students who enroll in IB courses without pursuing the diploma, may receive college credit at institutions of higher education based on their IB exam scores. There are currently 33 public high schools in Colorado that offer IB programs. The fiscal note assumes that the bill only covers IB exams for high school students and will not cover assessment fees for students in the elementary school, middle school, or career-related IB programs.

Currently, students pay a one-time registration fee of \$172 and a fee of \$119 per IB exam. Additional fees may apply to students that pursue an IB diploma. In FY 2017-18, 2,879 students took IB exams, of whom 673 qualified for free and reduced priced lunch. Based on an estimated average of 2.8 IB exams per student, it is expected that approximately 1,884 IB exams per year are taken by students qualifying for free and reduced-priced lunch.

State Expenditures

The bill does not require a change in the expenditures required for the program. Allowing grants for IB exam fees may either reduce the number of AP exams covered, or reduce the amount awarded per AP exam; any additional grant funding is at the discretion of the General Assembly. The fiscal note estimates that if the current appropriation funded all expected AP and IB exams taken by eligible students, \$33.45 would be provided for each exam. Actual award amounts will be determined by the Colorado Department of Education.

In addition, the bill increases workload for CDE by a minimal amount to modify grant procedures to include IB exams. This workload increase can be accomplished within current appropriations.

School District

The bill increases the workload and revenue for any school district that applies for and receives grant funding to cover the cost of IB exams taken by their students. The revenue will reduce the amount paid by students to the school for the cost of IB exams.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Education