



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Revised Fiscal Note

(replaces fiscal note dated April 4, 2022)

<b>Drafting Number:</b>	LLS 22-0703	<b>Date:</b>	April 26, 2022
<b>Prime Sponsors:</b>	Rep. Duran; Will Sen. Bridges; Priola	<b>Bill Status:</b>	Senate Education
		<b>Fiscal Analyst:</b>	Anna Gerstle   303-866-4375 Anna.Gerstle@state.co.us

**Bill Topic:** POSTSECONDARY STUDENT SUCCESS DATA SYSTEM

**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 requires the Department of Higher Education to develop measures of student success and a postsecondary student success data system. The bill increases state expenditures through FY 2023-24.

**Appropriation Summary:** For FY 2022-23, the bill requires and includes an appropriation of \$3.0 million to the Department of Higher Education.

**Fiscal Note Status:** The fiscal note reflects the reengrossed bill. It has also been updated to reflect new information.

**Table 1  
State Fiscal Impacts Under HB 22-1349**

		Budget Year FY 2022-23	Out Year FY 2023-24
<b>Revenue</b>		-	-
<b>Expenditures</b>	Cash Funds <sup>1</sup>	\$3,000,000	-
	Centrally Appropriated Costs	\$14,901	\$18,280
	<b>Total Expenditures</b>	<b>\$3,014,901</b>	<b>\$18,280</b>
	<b>Total FTE</b>	<b>0.8 FTE</b>	<b>1.0 FTE</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>		-	-

<sup>1</sup> Appropriations in FY 2022-23 may be spent through FY 2023-24.

## Summary of Legislation

The bill requires that the Department of Higher Education (DHE) develop student success measures and an interactive data system for postsecondary student success information. DHE must collaborate with each institution of higher education, the Colorado Workforce Development Council, Office of Economic Development and International Trade, the departments of education and labor, industry representatives, and organizations that support students and parents.

**Student success measures.** The bill requires that the Colorado Commission on Higher Education (CCHE) enact a policy by December 31, 2022, requiring the DHE to develop student success measures, which must include:

- data on non-traditional students;
- measures for student enrollment status two, four, and six years after a student first enrolls;
- postsecondary success measures, including credit accumulation, course passage, cost of attendance, retention rates, credential completion rates, student support access and effectiveness, graduate program enrollment, and student mobility; and
- workforce success measures, including postsecondary employment outcomes, job placements, earnings, and the length of time to recoup the cost of completing a credential.

**Student success data system.** DHE must develop a statewide data system that aligns with the student success measures. The data system must:

- have a public interface that disaggregates data by different student populations and allows users to compare different institutions and programs; and
- can be developed into a longitudinal data system connecting K-12 education, postsecondary education, and workforce data systems.

DHE may enter into a third-party agreement to develop the data system. DHE must work with institutions to create interfaces that are internal to the institution, which may differ in format and level of detail than the statewide public interface. The DHE may, with CCHE approval, allocate money to an institution to create an institutional data system instead of developing an internal interface for the school.

CCHE must use the data system to examine educational and workforce success disparities among different student populations, such as those identified by race, ethnicity, gender, first-generation status, and socioeconomic factors. Employment and wage outcome data for eligible workforce development or training programs may also be included in the data system.

**Modernization of current systems.** To facilitate collection of data, DHE must update and modernize its existing data collection systems, including its student-unit record data system.

**Reporting.** By January 15 of 2023 and 2024, the CCHE must submit a report to the legislature on the work required to deliver a statewide longitudinal data system to connect K-12, postsecondary education, and workforce information.

**Funding.** For FY 2022-23, the bill requires that the General Assembly appropriate \$3.0 million from the Workers, Employers, and Workforce Centers Cash Fund to the DHE for the purpose of the bill, using money in the fund that originated from the General Fund. Any unspent money from this appropriation remains available for the DHE in FY 2023-24

**State Expenditures**

The bill increases state expenditures in DHE by \$3.0 million in FY 2022-23 from the Workers, Employers, and Workforce Centers Cash Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2  
 Expenditures Under HB 22-1349**

	FY 2022-23	FY 2023-24
<b>Department of Higher Education</b>		
Personal Services	\$76,716	\$92,059
Operating Expenses	\$1,080	\$1,350
Capital Outlay Costs	\$6,200	-
Data System Modernization <sup>2</sup>	\$1,000,000	-
Technology and Data Costs <sup>2</sup>	\$1,822,595	-
Centrally Appropriated Costs <sup>1</sup>	\$14,901	\$18,280
<b>Total Cost</b>	<b>\$2,921,492</b>	<b>\$111,689</b>
<b>Total FTE</b>	<b>0.8 FTE</b>	<b>1.0 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

<sup>2</sup> Data system and technology costs are shown in FY 2022-23 for informational purposes, but may be spent over two years.

**Department of Higher Education.** DHE requires 1.0 FTE in FY 2022-23 and FY 2023-24 to coordinate the development of student success measures and oversee the data system improvements. DHE will also spend \$1.0 million to update the Student Unit Record Database (SURDS), including improving workflow between DHE and institutions, datasets related to workforce outcomes, and system security. The remainder of the available funding will be used to for software licensing, vendor, and contracting costs to develop institution-specific and statewide interfaces, and other costs associated with the student success data system.

**Institutions of higher education.** The bill increases workload for institutions of higher education to coordinate with DHE on data collection, and the implementation of institution-specific interfaces. A portion of DHE's funding may be allocated to institutions for system institution-specific interfaces.

**Other state agencies.** The bill increases workload for the Colorado Department of Education, the Colorado Department of Labor and Employment, and the Office of Economic Development and International Trade to collaborate with DHE on the student success measures and data systems. No change in appropriations are required.

## Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State Appropriations

In FY 2022-23, the bill requires and includes an appropriation of \$3.0 million from the Workers, Employers, and Workforce Centers Cash Fund. The appropriation is from the money in the fund that originated from the General Fund. This appropriation may be spent through FY 2023-24.

## State and Local Government Contacts

Education  
Labor

Higher Education  
OEDIT

Information Technology