

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING IN-STATE STUDENT CLASSIFICATION FOR DEPENDANTS OF MEMBERS OF THE ARMED FORCES.

Prime Sponsors: Representative Everett
Senator Marble

JBC Analyst: Amanda Bickel
Phone: 303-866-2061
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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/05/13.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The attached Fiscal Note assumes that, pursuant to this bill, 10 additional students will attend state public higher education institutions in FY 2013-14. However, it does not specify which institutions these students are assumed to attend. For purposes of drafting an appropriation clause consistent with the Legislative Council Staff Fiscal Note, JBC staff has assumed the new students will be distributed among the higher education institutions as outlined in the table below, resulting in the distribution of College Opportunity Fund Program student stipend revenue as shown. This represents a preliminary estimate.

	Student FTE	Stipend Revenue
Metropolitan State College of Denver	1.0	\$1,860
Colorado State University System	2.0	3,720
University of Colorado System	2.0	3,720
University of Northern Colorado	1.0	1,860
Community Colleges	4.0	7,440
Total	10.0	\$18,600

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** to appropriate to the Department of Higher Education, for FY 2013-14, \$18,600 General Fund for College Opportunity Fund (COF) stipends and \$18,600 reappropriated funds for the allocation of COF stipend amounts to the governing boards. This amendment also includes a provision to increase governing board tuition amounts shown for informational purposes in the FY 2013-14 Long Bill by \$59,460 cash funds.

Points to Consider*General Fund Impact*

The general appropriations bill for FY 2013-14 has not yet been introduced. This bill requires a General Fund appropriation of \$18,600 for FY 2013-14, reducing the amount of General Fund available for other existing programs.

Technical Issues

Amounts included in the attached Fiscal Note and JBC Staff Analysis reflect preliminary estimates that are subject to change for the following reasons:

- a. There is limited data on the number of students who will be directly affected by the bill and which institutions such students will choose to attend.
- b. At the time this document was printed, the Joint Budget Committee and the General Assembly had not yet acted on a COF per-student stipend amount to include in the FY 2013-14 Long Bill; therefore, the fiscal note is based on the FY 2012-13 COF stipend amount.

Related Budget Information/Future Budget Processes

As reflected in the attached Fiscal Note, this bill is anticipated to increase the number of students eligible for COF stipend payments, but the number who actually receive a COF stipend pursuant to this bill may be higher or lower than the 10 students identified in the fiscal note. The General Assembly typically adjusts appropriations to the Department of Higher Education through the supplemental budget process to reflect the number of students who actually receive COF stipends.

Whether an increase for COF stipends results in a *net* increase in General Fund appropriated for higher education institutions is at the discretion of the General Assembly. When the total number of students receiving COF stipends has exceeded the estimates reflected in the Long Bill, the General Assembly has typically adopted a supplemental budget amendment to increase funding for student stipends and decrease funding for higher education fee-for-service contracts, with a net result of no fiscal impact to the institutions or the General Fund.