



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1016: CONTINUATION OF OPEN EDUC RESOURCES PROGRAM

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**Prime Sponsors:**

Rep. Phillips; Taggart  
Sen. Frizell; Amabile

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**Fiscal note status:** The revised fiscal note reflects the reengrossed bill, as amended by the Senate Appropriations Committee.

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### Summary Information

**Overview.** The bill continues the Open Educational Resources Council and Grant Program in the Department of Higher Education.

**Types of impacts.** The bill continues a program currently scheduled to repeal through FY 2031-32, with impacts in the following areas:

- State Expenditures

**Appropriations.** For FY 2026-27, the bill requires and includes an appropriation of \$275,000 to the Department of Higher Education. See State Appropriations Section.

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

| Type of Impact          | Budget Year<br>FY 2026-27 | Out Year<br>FY 2027-28 |
|-------------------------|---------------------------|------------------------|
| State Revenue           | \$0                       | \$0                    |
| State Expenditures      | \$297,799                 | \$297,799              |
| Transferred Funds       | \$0                       | \$0                    |
| Change in TABOR Refunds | \$0                       | \$0                    |
| Change in State FTE     | 1.0 FTE                   | 1.0 FTE                |

These impacts result from continuing a program scheduled to repeal at a lower funding level. Fund source detail is provided in the table below.

**Table 1A  
State Expenditures**

| <b>Fund Source</b>        | <b>Budget Year<br/>FY 2026-27</b> | <b>Out Year<br/>FY 2027-28</b> |
|---------------------------|-----------------------------------|--------------------------------|
| General Fund              | \$275,000                         | \$275,000                      |
| Cash Funds                | \$0                               | \$0                            |
| Federal Funds             | \$0                               | \$0                            |
| Centrally Appropriated    | \$22,845                          | \$22,845                       |
| <b>Total Expenditures</b> | <b>\$297,845</b>                  | <b>\$297,845</b>               |
| <b>Total FTE</b>          | <b>1.0 FTE</b>                    | <b>1.0 FTE</b>                 |

## Summary of Legislation

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The bill continues the Open Educational Resources Council and Grant Program for five years, through November 1, 2031. The council and grant program are currently scheduled to repeal on November 1, 2026. The bill also continues program reporting requirements for five years, through December 1, 2031.

In addition, the bill expands the council from 12 to 15 members and modifies the requirements for the annual open educational resources report completed by the Department of Higher Education (CDHE) to include the portion of courses that have zero textbook cost for students.

## Background

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Open educational resources are teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that permits free use and repurposing by others. The Open Educational Resources Council recommends policies for using these resources at institutions of higher education (IHEs), implements the Open Educational Resources Grant Program, provides professional development opportunities, and reports on the use of open educational resources in the state. The grant program provides funding for public IHEs, faculty, and staff to create and expand the use of open educational resources. The program was last extended by [Senate Bill 21-215](#).

## Assumptions

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Since FY 2019-20, CDHE has been annually appropriated about \$1.1 million and 1.0 FTE from the General Fund for the grant program and council. The FY 2026-27 Long Bill does not include any funding for the program; however, the bill instead includes an appropriation of \$275,000 for the

program. The breakdown between administrative costs, grants, and training costs has been updated to reflect new information since the program was last renewed, adjusted for the revised funding level. Actual expenditures in future years depend on future decisions by the General Assembly.

## State Expenditures

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The bill increases state expenditures in the Department of Higher Education by about \$298,000 per year in FY 2026-27 through FY 2031-32. These costs, paid from the General Fund, represent a continuation of the program at a lower funding than in past years, and are summarized in Table 2 and discussed below.

**Table 2**  
**State Expenditures**  
**Department of Higher Education**

| <b>Cost Component</b>        | <b>Budget Year<br/>FY 2026-27</b> | <b>Out Year<br/>FY 2027-28</b> |
|------------------------------|-----------------------------------|--------------------------------|
| Personal Services            | \$89,718                          | \$89,718                       |
| Operating Expenses           | \$1,280                           | \$1,280                        |
| Conferences & Training       | \$50,000                          | \$50,000                       |
| Grant Program                | \$113,502                         | \$113,502                      |
| OER Publishing & Repository  | \$20,500                          | \$20,500                       |
| Centrally Appropriated Costs | \$22,845                          | \$22,845                       |
| <b>Total Costs</b>           | <b>\$297,845</b>                  | <b>\$297,845</b>               |
| <b>Total FTE</b>             | <b>1.0 FTE</b>                    | <b>1.0 FTE</b>                 |

## Department of Higher Education

### Staff

The bill continues the existing 1.0 FTE for the Director of Open Education at CDHE. The FTE supports the council, implementation of professional development and training, reporting program outcomes to the legislature and maintaining the repository of open educational materials. Costs include salary and benefits for the position and include annualizations and required salary increases since the council was last extended.

### Conferences and Trainings

The bill continues funding for the annual state Open Educational Resources conference, webinars and in-person trainings for institutions and staff, and professional development

funding. This amount is estimated at \$50,000, which reflects recent growth in the number of conference participants. This amount will also cover travel costs associated with expanding council membership, but these are assumed to be minimal because most council meetings are held online.

## Open Educational Resource Publishing and Repository

The bill continues funding for publishing and web maintenance for open educational resources created and published in the state and the associated online repository for such resources through the Colorado Pressbook Network. This amount is estimated at \$20,500, and reflects a new cost since the program was last extended.

## Grant Program

After accounting for administration and training costs, \$113,502 is available for grants to IHEs, faculty and staff. According to the most recent program report, 26 grants to 16 institutions were awarded in FY 2024-25.

## Institutions of Higher Education

The bill continues grant awards to IHEs, and increases workload for faculty and staff who participate in the council and receive training. In addition, adding three additional council members increases workload for the institutions represented by the new members.

## Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in Table 2 above.

## Effective Date

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

## State Appropriations

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For FY 2026-27, the bill requires and includes a General Fund appropriation of \$275,000 to the Department of Higher Education, and 1.0 FTE.

## State and Local Government Contacts

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Education

Higher Education