



**Colorado
Legislative
Council
Staff**

HB16-1196

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0170 **Date:** February 18, 2016
Prime Sponsor(s): Rep. Pettersen; Rankin **Bill Status:** House Education
 Sen. Johnston **Fiscal Analyst:** Anna Gerstle (303-866-4375)

BILL TOPIC: ASPIRE TO COLLEGE COLORADO PILOT PROGRAM

Fiscal Impact Summary	FY 2015-2016 <i>(current year)</i>	FY 2016-2017	FY 2017-2018	FY 2018-19
State Revenue	Gifts, grants, and donations.			
State Expenditures	Workload increase.	<u>up to \$100,000</u>	<u>up to \$100,000</u>	<u>up to \$100,000</u>
General Fund		up to \$100,000	up to \$100,000	up to \$100,000
Appropriation Required: See State Appropriations section.				
Future Year Impacts: Three year expenditure impact (FY 2016-17 through FY 2018-19).				

Summary of Legislation

The bill creates the Aspire to College Colorado pilot program within the Colorado Department of Human Services (DHS). DHS is required to make an initial deposit of \$50 into a college savings account for up to 2,000 low income, preschool-age children per year, for up to three years. DHS is required to adopt rules for the program, including eligibility, additional monetary contributions, and data collection to evaluate the program.

The program is intended to be a public-private partnership, with the state providing the initial deposit into the savings accounts, and private donations matching any family contributions. Private resources are also to be used to encourage college savings, increase the financial literacy of participants, and evaluate the program's effectiveness.

The bill also creates the Aspire to College Colorado Pilot Program Fund (fund). The fund may include gifts, grants, and donations, and any money transferred or appropriated to it by the General Assembly.

State Revenue

The bill allows the DHS to accept gifts, grants, and donations, although no source or amount has been identified. Gifts and donations are exempt from TABOR revenue limits.

State Expenditures

The bill increases expenditures for the DHS by up to \$100,000 per year for three years, beginning in FY 2016-17. The bill requires the DHS to deposit \$50 into a college savings account for up to 2,000 children each year for three years. The bill also increases the workload for the DHS to design the program and for the Department of Law (DOL) to assist with initial rulemaking. Although no money will be deposited in a college savings account prior to FY 2016-17, the workload increase will begin in FY 2015-16. The workload increase for both DHS and DOL is expected to be minimal and does not require a change in appropriations for either department.

State Appropriations

The Department of Human Services' FY 2016-17 budget request includes a \$100,000 General Fund appropriation for the Aspire to College Colorado Pilot Program. If funding for the program is not provided in the Long Bill for FY 2016-17, this bill requires an appropriation of \$100,000 General Fund to the department.

Technical Note

The bill indicates that DHS must make the initial deposits into the college savings accounts within their existing appropriations; however, to the extent that the department's funding request is not included in the Long Bill for FY 2016-17, a General Fund appropriation is required to fund the program.

Effective Date

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

State and Local Government Contacts

Human Services

Law

Treasury