



Legislative  
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**SB 20-006**

# REVISED FISCAL NOTE

(replaces fiscal note dated January 13, 2020)

**Drafting Number:** LLS 20-0407  
**Prime Sponsors:** Sen. Zenzinger; Story  
Rep. Kipp; Baisley

**Date:** February 6, 2020  
**Bill Status:** Senate Appropriations  
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**Bill Topic:** **AMEND COLORADO OPPORTUNITY SCHOLARSHIP INITIATIVE**

**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 modifies the Colorado Opportunity Scholarship Initiative. The bill impacts state expenditures on an ongoing basis.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the bill as amended by the Senate Education Committee. The bill is recommended by the Making Higher Education Attainable Interim Study Committee.

## Summary of Legislation

The bill modifies aspects of the Colorado Opportunity Scholarship Initiative (COSI) in the Department of Higher Education (DHE). Specifically, the bill:

- changes definitions to reflect the program's focus on financial assistance as distinct from tuition assistance;
- removes a restriction on the amount of money that can be awarded to state agencies and nonprofit organizations;
- removes a limitation that existing DHE personnel administer the program;
- allows the DHE to spend 7.5 percent of total expenditures from the prior year as administrative overhead, and allows additional overhead spending if authorized by the General Assembly through a footnote in Long Bill; and
- modifies some of the financial criteria for scholarship eligibility.

## State Expenditures

Under current law, the DHE may use no more than 3.0 percent of money in the COSI fund as administrative overhead. This bill changes that calculation to be 7.5 percent of the expenditures from the fund in the prior year. This change is not anticipated to increase the amount of administrative expenses retained by the department, and better aligns administrative expenses with actual spending over time. No change in appropriations is required.

**Effective Date**

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Education            Higher Education            Labor