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FISCAL NOTE

Drafting Number:	LLS 18-0417	Date:	January 22, 2018
Prime Sponsors:	Sen. Holbert; Zenzinger Rep. Garnett; Becker J.	Bill Status:	Senate Education
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Bill Topic: ENFORCEMENT STATEWIDE DEGREE TRANSFER AGREEMENTS

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 institutions of higher education to cover the cost of certain lower-division courses taken by students who transfer under statewide degree transfer agreements. The bill increases expenditures for certain institutions of higher education on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, institutions of higher education may require students who transfer from two-year schools to four-year schools under a statewide degree transfer agreement (eligible student) to complete additional lower-division general education courses, as long as those courses are necessary to complete degree requirements, and do not extend the time required for an eligible student to finish the degree. Under the bill, if an eligible student is required to complete lower division general education courses above 120 credit hours, the institution is required to pay the full cost of the course, before the application of the College Opportunity Fund.

Background

Statewide degree transfer agreements between public institutions of higher education in Colorado allow students who complete specified 60-credit hour associate's degrees to enroll as a junior at four-year institutions with no more than 60 credit hours remaining for a bachelor's degree. There are currently 44 statewide degree transfer agreements in place, covering 36 degrees. While all institutions are part of at least one agreement, not all agreements apply to all schools. In the 2014-15 academic year, 734 students completed a qualifying associates degree at a two-year school, of whom 443 students enrolled at a four-year school in academic year 2015-16 and 42 students completed a bachelor's degree.

State Expenditures

To the extent that four-year institutions require eligible students to take additional lower level courses above 120 credits, expenditures for the institution will increase beginning in FY 2018-19. The specific cost increase per institution cannot be estimated, but depends on a variety of factors, including:

- the number of students who transfer to a four-year school under a statewide degree transfer agreement;
- the number of additional lower-level courses that students are required to take above 120 credits;
- the number of credits that students have when they transfer to a four-year institution; and
- the cost and subject area of the required lower-division courses.

For informational purposes, the average cost per credit was \$272 at four-year institutions in FY 2016-17. No change in state appropriations to institutions of higher education is required.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Higher Education