

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 09-0767

Date: February 18, 2009

Prime Sponsor(s): Rep. Waller

Bill Status: House Education

Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING EXTENDING CONCURRENT ENROLLMENT OPPORTUNITIES TO STUDENTS WHO ARE NOT ENROLLED IN PUBLIC SCHOOLS.

Fiscal Impact Summary	FY 2009-2010	FY 2010-2011
State Revenue		
State Expenditures* General Fund	\$19,877,690	\$19,851,550
FTE Position Change	5.0 FTE	5.0 FTE
Effective Date: The bill is effective 90 days following final adjournment of the General Assembly unless a referendum petition is filed (August 4, 2009, if final adjournment is May 6, 2009).		
Appropriation Summary for FY 2009-2010: See State Appropriations section.		
School District Impact: See School District Impact section.		

Summary of Legislation

This bill modifies the Postsecondary Enrollment Options Act to extend concurrent enrollment opportunities to eleventh or twelfth grade students in a private school or a home school. School districts must notify all students residing in the district of the opportunity for post-secondary enrollment.

The bill permits the CDE, school districts, and institutions of higher education to enter into agreements to create courses solely for high school students. If a college offers such courses, the CDE shall reimburse the college, and pay any other amount specified in the agreement to the college.

Eligible students may enroll in 2 or more higher education courses for which he or she will also receive high school credit. If a student enrolls in 2 courses, that student shall be counted in both the district's and the college's student FTE. If the student enrolls in more than 2 courses, only the college will count the student in its FTE.

For any course not specifically created for high school students, a student may enroll at the resident rate of tuition, and the CDE will reimburse the student for the first 2 courses. The department may reimburse the student for additional courses at its discretion. Prior to reimbursing a student for tuition, the CDE shall require that the student and his or her parent or guardian sign a promise to repay the tuition if the student fails to complete the course without the consent of the

parent or other administrator of the student's non public school. If the student fails to complete the course without consent the student or the student's parent or guardian must refund the CDE the amount of tuition.

State Expenditures

Beginning in FY 2009-10, this bill will result in total costs of \$19.9 million and 5.0 FTE in the Colorado Department of Education. Costs are described below and summarized in Table 1.

Currently 5,153 students (5% of eligible students) take part in concurrent enrollment offered via the Postsecondary Enrollment Options Act; however, these students are reimbursed by the school district in which they are students. Home schooled students who are also enrolled part-time in a public school may participate in the program.

It is estimated that there are 5,344 eleventh and twelfth grade students in non-public schools. If 5 percent of these students take advantage of the bill, an estimated 267 students will enroll and be eligible for reimbursements from the CDE. Since the bill requires that the CDE reimburse all students, including students who are currently reimbursed by school districts, the total students for whom the CDE will provide reimbursements is 5,420. Using an average tuition rate of \$900 per course, if each of these students took 2 courses per term, the total reimbursements supplied by the CDE will be \$19.5 million (5,420 students * \$3,600 = \$19,512,000).

Staff is needed at the CDE to monitor written requests for concurrent enrollment, verify that courses will count for high school credit, provide reimbursements, verify successful completion of courses by the eligible students, and collect on promissory notes if students do not pass or fail to complete courses without authorization. The department will also provide information concerning the program on its website and inform all schools and districts in the state of concurrent enrollment options.

Table 1. Expenditures Under HB09-1270		
Cost Components	FY 2009-10	FY 2010-11
Personal Services	\$334,800	\$334,800
FTE	5.0	5.0
Operating Expenses and Capital Outlay	30,890	4,750
Tuition Reimbursement	19,512,000	19,512,000
TOTAL	\$19,877,690	\$19,851,550

Expenditures Not Included

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. The centrally appropriated costs subject to this policy are summarized in Table 2.

Table 2. Expenditures Not Included Under HB09-1270*		
Cost Components	FY 2009-10	FY 2010-11
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$34,600	\$34,600
Supplemental Employee Retirement Payments	10,500	12,450
Indirect Costs	61,455	61,455
Leased Space	21,000	21,000
TOTAL	\$127,555	\$129,505

**More information is available at: http://www.state.co.us/gov_dir/leg_dir/lcsstaff/2009/comsched/CommonPolicies2009.pdf*

School District Impact

The CDE will reimburse all students who take advantage of concurrent enrollment. Under current law, the school district reimburses students using money from school finance. Since the district will not use portions of that revenue for reimbursements, the districts will retain all of the per-pupil funding for these students. The statewide average per-pupil funding in FY 2008-09 is \$6,908. If the district retains the funding for the 5,153 public school students, districts will retain \$35.6 million; no portion of this amount will be used for concurrent enrollment costs.

State Appropriations

In FY 2009-10, this bill requires a General Fund appropriation of \$19,877,690 and 5.0 FTE to the Colorado Department of Education.

Departments Contacted

Education

Higher Education

Law