

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MAKING COLLEGE EDUCATION MORE AFFORDABLE BY IMPOSING FURTHER RESTRICTIONS ON TUITION INCREASES, INCREASING FINANCIAL AID, AND INCREASING OPERATING SUPPORT FOR EACH GOVERNING BOARD OF A STATE-SUPPORTED INSTITUTION OF HIGHER EDUCATION BY ELEVEN PERCENT, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Jahn and Kerr
Reps. Garcia and McLachlan

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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/02/14.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Appropriations Committee Report (04/09/14) and the floor amendment that was adopted by the Senate Committee of the whole (4/14/14) include amendments to the bill. However, Legislative Council Staff and JBC Staff agree that these amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$100,162,480 General Fund to the Department of Higher Education for FY 2014-15. This includes the following appropriations:

- \$40,000,000 General Fund for student financial aid, including: \$30,000,000 for need-based grants; \$5,000,000 for work study; and \$5,000,000 for merit-based grants.
- \$60,000,000 General Fund for the College Opportunity Fund (COF) program and allocations to higher education governing boards, including: \$57,713,885 for COF student stipends and fee-for-service contracts with the governing boards of state institutions; \$1,394,266 for local district junior colleges; and \$891,849 for area vocational schools. The COF student stipend

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and fee-for-service contract funds (\$57,713,885) are reappropriated to the governing boards of state higher education institutions so as to provide an 11.0 percent increase to each governing board over the FY 2013-14 appropriation.

- \$162,480 General Fund for COF student stipends for students attending private institutions.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) has proposed a budget package for FY 2014-15 based on the March 2014 Office of State Planning and Budgeting revenue forecast. The budget package, as amended by General Assembly action on the Long Bill (H.B. 14-1336) and the capital construction transfer bill (H.B. 14-1342), allocates all but approximately \$7.9 million of General Fund revenues projected to be available. The JBC has included as part of its FY 2014-15 budget package a \$100,162,480 General Fund appropriation for implementation of this bill.