

Colorado Legislative Council Staff Fiscal Note

**FINAL
FISCAL NOTE**

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| Drafting Number: LLS 14-0370 | Date: May 29, 2014 |
| Prime Sponsor(s): Sen. Todd Rep. Hamner; Holbert | Bill Status: Signed into Law |
| | Fiscal Analyst: Josh Abram (303-866-3561) |

SHORT TITLE: STUDENT ACCESS TO CSU GLOBAL CAMPUS

| Fiscal Impact Summary* | FY 2014-2015 | FY 2015-2016 |
|--|---------------------------------|--------------|
| State Revenue | See State Revenue section. | |
| <i>Revenue Change - Tuition**</i> Institutional Revenue | | |
| State Expenditures | See State Expenditures section. | |
| FTE Position Change | | |
| Appropriation Required: | | |

* This summary shows changes from current law under the bill for each fiscal year.

** Revenue from tuition is collected and spent by the governing bodies of the state institutions, and is not appropriated by the General Assembly in the Long Bill. Due to enterprise status, this revenue is not counted against state revenue limitations in the Colorado Constitution.

Summary of Legislation

Under current law, the Colorado State University (CSU) Global Campus is a baccalaureate and graduate online university with a mission that allows the school to offer upper division bachelor's degree completion programs for nontraditional students. Students who enroll in CSU Global are not eligible for state stipends from the College Opportunity Fund.

This bill permits CSU Global to offer comprehensive online bachelor's degree programs. An online degree from the school will not require that students transfer some amount of previously earned credits from other postsecondary studies to complete their degree with CSU Global, as is currently required.

For resident undergraduate students, CSU Global will have moderately selective admission standards. The university may not admit first-time resident freshman students under the age of 23, and is prohibited from offering associate degrees, or career, technical, or certificate programs. The university may not offer concurrent enrollment programs, state-funded supplemental academic instruction, or state-funded basic skills courses.

Any newly developed online bachelor's degree program at CSU Global is subject to review and approval by the Colorado Commission on Higher Education (CCHE). The CCHE must determine if the new program is in the state's best interest, if the program is cost-effective for students, and if the program is sufficiently distinguishable from any existing online bachelor's degree programs being offered by another state institution of higher education.

State Revenue

Higher education tuition revenue. If approved, new undergraduate degree programs may increase overall student enrollment at CSU Global and, therefore, create additional tuition revenue for the school. Since enrollment and tuition rates for future online degree programs are unknown, the full impact on tuition revenue has not been estimated.

State Expenditures

The creation of new online undergraduate degree programs will require some small effort by CSU to establish curriculum and admission requirements, obtain approval from the Colorado Commission on Higher Education, and be accredited. Since CSU Global already has multiple degree programs available for completion online, adding the introductory and prerequisite classes for those degrees is not expected to require much additional effort and can be accomplished within the school's existing resources. The bill does not require appropriations from the General Assembly.

Once new degree programs are authorized, there will be operational and instructional costs for CSU. Since future enrollment rates are unknown, the full impact on state expenditures has not been estimated. Once an authorized degree is offered to new students, growth in the program will increase both institutional tuition revenue and operational expenses.

Effective Date

The bill was signed into law by the Governor on May 2, 2014, and takes effect August 6, 2014, assuming no referendum petition is filed.

State and Local Government Contacts

Higher Education