Colorado Legislative Council Staff Fiscal Note

STATE
FISCAL IMPACT

Drafting Number: LLS 15-1053	**Date:**	March 27, 2015
Prime Sponsor(s): Sen. Steadman	**Bill Status:**	Senate Appropriations
Rep. Hamner	**Fiscal Analyst:**	Josh Abram (303-866-3561)

BILL TOPIC: GENERAL FUND EXEMPT INSTITUTIONS OF HIGHER ED USES

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures		
FTE Position Change		
Appropriation Required:		

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

Summary of Legislation

The General Fund Exempt Account consists of the revenues the state retains and spends under the authority of Referendum C of 2005. Based on existing statute, one-third of the Referendum C revenue that exceeds $55.0 million must be appropriated for the benefit of students attending institutions of higher education. Current statute specifically identifies qualifying higher education appropriations as student stipends, fee-for-service contracts with governing boards, need- and merit-based aid, and capital construction appropriations.

This bill, *recommended by the Joint Budget Committee*, adds to the list of qualifying higher education appropriations: work-study programs, tuition for qualified Indian pupils who attend Fort Lewis College, local district junior college grants, and area vocational school grants.

State Expenditures

The bill expands the authorized uses for appropriations from the General Fund Exempt Account (exempt account). The amount of the total appropriation for higher education is determined annually by the General Assembly. The governing boards at the institutions of higher education make all budget decisions once state appropriations are allocated to the schools. This bill expands the authorized uses for which governing boards may spend from their portion of the allocation of the exempt account.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Higher Education   Joint Budget Committee